CHINA WEEKLY

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

REPLY TO

AN ATTACK ON THE WEEKLY REVIEW

THE SHAOHSING OPERA

CHIANG HSI-FAN

WORK OF THE PEOPLE'S BANK

T. P. KING

STRUGGLE IN INDO-CHINA

EDITORIAL REVIEW

MARCH 25, 1950

JMP 5,000

上海中正東路一六〇號密勒氏評論報發行
上海香港路一一七號美豐登有限公司承印

LETTERS From The People

Comments from readers on current topics are cordially invited: their opinions, however, do not necessarily represent the views of The China Weekly Review.

HONGKONG TODAY

To the Editor:

Now that the whole continent of China is under the control of the People's Government, Hongkong has not only become the center of international trade, but also the shelter of many refugees who fled from China. The population of Hongkong has increased greatly causing an acute housing stortage. Many new apartments and hotels in Hongkong and Kowloon are still being constructed to meet the demand. Some of the better apartments sell for key money of HK$10,000 to HK$30,000. More modest apartments are sold for HK$3,000 to HK$6,000. The monthly rent of a one-room flat ranges from HK$150 to HK$500.

With the great increase in population, establishments such as restaurants, hotels and theaters are doing a thriving business. In order to cater to the influx of Shanghai people, many restaurants are now serving Shanghai food.

A new phenomenon which has developed in Hongkong is the mushrooming of native banks dealing in gold bullion. A great number of these banks have been established by Shanghai people who are trying to keep from depleting the money they brought with them to Hongkong. Although their business is speculative in nature, so far no adverse effects have been felt on the financial market.

There is great worry among the people here about the future status of the colony.

ALFRED WANG

Hongkong
March 3, 1950

AIR RAID PRECAUTIONS

To the Editor:

Since February 6 Shanghai has been plunged again into a city at war. Residents of all ranks are earnestly engaged in a campaign against the air raids.

With the liberation of Taiwan in sight, the reactionary KMT remnants have been launching a last and most shameless struggle against the Chinese people. The Kuomintang will spare no means, however cruel and inhuman, to frustrate the achievements of the people. But the people have already foreseen their scheming and are watchful every moment against any malicious actions.

We students are responsible for helping the People's Government overcome its difficulties. In responding to the call of the local government, the students of Fuhtan University have enthusiastically organized an anti-air raid campaign. Fire brigades, vigilance committees and first aid units have been set up. As soon as the alarm is sounded, these groups are ready for action. People are not allowed to gather together to watch the planes or to enter the school gate.

The bombings might cause a disruption of the water and electricity supply. To provide for this, wells have been sunk and oil lamps have been prepared in advance. At night, students acting as watchmen are on guard both inside and outside the school grounds. Each department is responsible for providing guards for one night. Our vigilance is far more heightened than ever before.

There is now a slogan prevailing at our school: From the anti-air raid standpoint, we must insist on studying; from the standpoint of carrying on our studies, we must persist in our campaign against the enemy raids. In order to create conditions suitable for studying, we have to do our best in the anti-air raid work.

Perhaps some people may argue that there is no use in our activities against the enemy raids for by such a campaign we can do no harm to the planes or prevent the bombs from being dropped. However, our primary aim in launching this campaign is to lessen any damage that might occur at our university and heighten our sense of vigilance.

FRANCIS H. CHOW

Fuhtan University
Shanghai
March 15, 1950

CANADIAN SUPPORT

To The Editor:

A banquet in Vancouver on February 5, sponsored by the Chinese Workers Protective Association in honor of the Central People's Government of China, was a big success. Preparations for 300 guests had been made, but over 600 people attended while many more could not gain admittance.

At each sitting a toast was given to the new government, while the guests stood and sang the new revolutionary songs of China. After the banquet there was a three hour program of singing, dancing and speeches. The entire audience stood with bowed heads during a minute of silence in memory of those who had died in the struggle for liberation.

The speakers exposed the reactionary role of Chiang Kai-shek's regime and the imperialist policy of the USA but expressed full confidence in Mao Tze-tung and the new government to overcome all difficulties. Each speaker stressed the importance of immediate recognition and the establishment of trade and friendly relations with China.

The affair ended with a call for interested parties to join the Canadian Chinese Friendship Society. This is being reorganized to fight against racial discrimination in Canada and to rally Canada's support for China's new government.

JACK BOYD
WONG TAN SOON

Steveston, B.C.
Canada
February 10, 1950

KWEICHOW UNIVERSITY

To the Editor:

There has been considerable improvement and great progress in our university during the two months since liberation. Liberation divides its history into two very different stages: one is dark, the other is bright. This makes us very happy.

History tells the truth and none of us can ignore it. Under the oppression of the reactionary forces Kweichow University was most notorious in its lack of democracy. But now, we are beginning to learn and do something through aiding the great revolution. More than 100 schoolmates have joined the Southwest Service Corps, the Military and Political University founded by the Second Field Army of the PLA, the Kweichow Revolutionary School, and other revolutionary units. The rest of the members of the university, including employees and professors, are joining in the high tide of studying the new knowledge. There are more than 30 voluntary study groups of which the "Society for Studying the Principles of New Democracy," set up by the Law Department, is the most popular.

I must report on two parts of the take-over work. First, organization of the take-over body under the leadership of the military representative has been completed. Five professors, one assistant, five employees and five students have been selected as delegates responsible for take-over work. Thanks to the efforts of the delegates various faults in work and persons have been discovered and quickly corrected. Further difficulties have also been overcome through the united effort of all members.

Second, no regulations have yet been fixed regarding the salary of professors and employees,

(Continued on Page 68)

THE CHINA WEEKLY REVIEW

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(Editor & Publisher, 1918-1947)

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Subscription

Shanghai and China Outports

3 months
JMP65,000, including postage

6 months
JMP125,000, including postage

U.S.A., other Foreign Countries

6 months	*1 year*
US $5.00	US$9.00

Price per copy: JMP 5,000

STUDENT RATES

Shanghai and China Outports

3 months
JMP55,000, including postage

All mail rates are subject to change in accordance with postal changes.

Telephone: 14772

Cable Address: "Reviewing" Shanghai

Published at 160 Chung Cheng Road (Eastern), Shanghai (0), China, by Millard Publishing Company, Incorporated under the Laws of the State of Delaware, U.S.A. Printed by Millington Limited, 117 Hongkong Road, Shanghai, China.

THE CHINA WEEKLY REVIEW
密勒氏評論報
A Weekly Newspaper Established in 1917

The editorial pages present each week the opinions of the editor. The other pages of *The China Weekly Review* are written by the other members of the staff and the contributing editors who report and interpret the news irrespective of the views expressed in the editorials.

Vol. 117 Shanghai, Saturday, March 25, 1950 No. 4

STRUGGLE IN INDO-CHINA

A NEW "war" appears to be in the making in Indo-China. This conflict, the beginnings of which are already evident, is arising over the division of the forthcoming American aid to Indo-China.

Apparently having determined to resist all people's movements in Asia, the Truman administration is reported about ready to grant substantial aid to the anti-Vietminh forces. Here, however, is where the new struggle is developing. France wants to control the purse strings so as to be sure that her grip is not further weakened, while France's newly-established puppet, Bao Dai, desirous of improving his position vis a vis France, wants the aid given directly to him. However, it appears that perhaps the United States has its own ideas about the administration of this aid. Indications are that America may be planning to cut France out completely by insisting on giving the aid straight to Bao Dai who will, however, be supplied with American "advisers" to help him handle the aid.

This rather ludicrous spectacle of three separate groups fighting for control of an area which is already largely in the hands of Ho Chi Minh's people's regime has recently blossomed forth in the foreign press.

On March 10 a press agency dispatch from Saigon quoted Mr. Robert Allen Griffin, head of the US aid mission visiting Indo-China, as denying press reports that American aid to the country would be channeled through French hands.

On March 11 another dispatch from Saigon reported the French high commissioner to Indo-China, M. Leon Pignon, as saying that France could not withdraw her troops from Indo-China because such action would result in plunging the country into a "bloodbath" and that "France is responsible for conducting the campaign against the communists and American aid for France constitutes aid for Indo-China which France is defending." M. Pignon was further quoted as saying that military aid was more important than economic aid, although the latter would also be welcome.

He also said that he was confident that the Bao Dai regime was capable of taking part in the family of nations. Two days later in another press conference which was devoted mainly to denying reports of forthcoming peace talks between Bao Dai and Vietminh leader Ho Chi Minh, M. Pignon stated that France would demand certain guarantees of Bao Dai should he desire to negotiate with Ho Chi Minh. However, he said France would welcome peace in the country since it would enable French garrisons to be set up at various strategic points.

Meanwhile, in Paris the chief of the ECA mission to France, Mr. Barry Bingham, told the press on March 13 that the current war in Indo-China was a heavy drain on France's economy. Last year, he said, France spent the equivalent of US$470,000,000 in fighting the government of Ho Chi Minh. France's allotment of ECA funds for 1950, it was revealed in Washington last week, is US$502,800,000.

Back in Saigon on March 15 Vietnamese sources were quoted in press dispatches as saying that American aid would amount to about US$100,000,000, enough to equip a Vietnamese army of 100,000 and re-equip the French forces stationed in the country.

The same dispatch reported Mr. Robert Allen Griffin as reiterating at Hanoi on March 14 that US aid would be given directly to Bao Dai. In addition, Mr. Griffin said America would send technicians to Indo-China to act as "advisers."

On the same day the *New York Times*, taking cognizance of the dispute over the aid, said that both the French and the Vietnamese had good talking points. However, the paper said, the argument should not interfere with the quick dispatch of aid. The *Times* urged a compromise solution, saying: "It could be made quite plain that US help was directed to Indo-China and not to the French in Indo-China as such. At the same time it could be made equally plain that the use of that assistance would have to be in complete coordination with the French forces and the French command."

The paper then concluded: "What is needed is the recognition of danger and the joint and mutual desire to meet it. This is not an academic debate about colonization or the various compound fractions thereof. In is a question of a real and present threat to the survival of freedom in Indo-China."

On March 16 Mr. Griffin, preparing to leave the country following completion of his mission's survey, said that he would submit his final draft recommending aid when he reached Washington. That day the US destroyers "Stickell" and "Anderson" arrived at Saigon, accompanying the US aircraft carrier "Boxer" which sent 50 planes to fly over the city (the environs of which are held by Ho Chi Minh's partisans).

Press dispatches from Paris on the same day quoted General Charles de Gaulle as saying he hoped American aid for Indo-China would be forthcoming, but that "it must be done through

France with France. Otherwise it would be better to get no aid to all."

* * *

AND so it goes. One day an American official says the aid will go directly to Indo-China but that American "advisers" will assist in its administration, while the French high commissioner—all the while emphasizing the fact that Indo-China is a free and independent state—declares that whenever such things as money or making peace are concerned, France has the final say. The next day a leading American paper, worried lest the argument delay aid until the question becomes academic, urges compromise.

And finally, as American naval planes put on a "show of force" in the country's skies, a well-known French general and political figure states his position in the frankest terms: Either the aid must go to France or it is not acceptable.

How long this play-acting will go on, or who will come out on top is difficult to say. Our bet, though, is on Dr. Ho Chi Minh and his Vietminh people's government. This regime, based on the popular support of the mass of the people, controls the vast portion of the countryside (about 80 percent), while the French forces hold only some major cities and main lines of communication and even these are frequently under attack by Vietminh guerillas.

(As this issue was going to press, dispatches from Saigon reported that French troops opened fire on a crowd of 4,000 Vietnamese students who gathered to protest the visit of US naval vessels to Indo-China. According to French sources, Vietminh elements used the assembly as a cover for setting the city's central market on fire. "Other elements" were reported to have torn down Bao Dai, French and American flags, and to have thrown hand grenades at French troops. Four people were killed and 41 injured, according to official sources, during the restoration of order by French and Bao Dai troops).

Bao Dai, of course, controls nothing. He is a puppet pure and simple and his only chance of acquiring any authority, even temporarily, is to play off the French against the United States. If Bao Dai can persuade America to give him aid directly, perhaps in return for economic or other concessions, he may be able to secure a degree of autonomy.

However, the whole affair takes on the dimensions of a tempest in a teapot since the Vietminh regime is steadily increasing its strength and it is only a matter of time until Ho Chi Minh's forces will have liberated the entire country. According to reports from Indo-China, the Vietminh forces estimate that they can accomplish the task before the end of this year, although American aid, if it is speedily given and in sufficient quantities, may serve to delay the final settlement a bit longer.

No matter how long, the similarity of the situation in Indo-China to that prevailing here in China during the latter days of the Kuomintang's short-lived dynasty cannot be overlooked.

25 Years Ago In *The China Weekly Review*

Meeting Dr. Sun Yat-sen

March 21, 1923

When I came to China from Japan in 1918, I found Dr. Sun living in his little house in the French concession of Shanghai, and one Sunday morning I went to meet him with a Japanese journalist. I had hardly waited 10 minutes in a small drawing room when Dr. Sun came down, dressed in a simple Chinese coat and shaking hands with me asked about the health of Mr. Mitsuru Toyama and his other friends in Japan. He spoke with some excitement of the Bolshevik Revolution in Russia and asked whether Japan was going to recognize Soviet Russia soon. He remarked that it was most necessary that Japan should recognize the new people's government in Russia. He further asked many questions about the progress of events in India and there was a note of true sympathy in his tone. I was convinced of his frankness, sincerity and sympathy with the oppressed. He invited me to see him as often as I could, and after a few more meetings our acquaintance ripened into friendship.

Dr. Sun did not like the Japanese interference in the domestic matters of China. For several months I conveyed his messages to our mutual friends in Japan and vice versa. Dr. Sun insisted that Japan must leave Manchuria alone to show her sincerity. . . . Dr. Sun discarded sentimentalism in politics and loved truth more than any other thing.

From: "My First Meeting with Dr. Sun Yat-sen" by H. P. Shastri

US—China Policy

President Coolidge will begin his new term with "readjustment" and "cooperation" as the key-note of his foreign policy in the Far East. Dr. C. T. Wang and General Feng Yu-hsiang, supporters of the new central government in China, are trying to form a "Dawes plan for China" for her economic reconstruction with the guidance and cooperation of the United States government. America has come to take not only an active part but the leading part in the rebuilding of China.

America's policy toward China in the past was formulated chiefly on the basis of the policies of the other powers in the Far East. When the powers struggled for spheres of influence and concessions, John Hay came forward with the doctrine of open door. When the powers were besieging the Chinese government with demands for the opening of trade ports and the granting of special privileges, the United States took great care that she was also one of the "most favored nations."

From: "President Coolidge and a US China Policy" by Thomas Ming-Heng Chao

10 Years Ago In *The China Weekly Review*

North China Famine

March 23, 1940

A strong appeal for relief of famine sufferers in North China was published March 17 in Chungking by the Communist daily newspaper, Hsin Hua Jih Pao. The actual famine situation in North China, the paper asserted, is far worse than hitherto reported and is traceable to last July when during the rainy reason, the Japanese Army broke the dikes of the principal rivers in Hopei in an attempt to flood out Chinese guerillas holding positions in various parts of the province.

Nanking Puppet Show

Delegates of the puppet regimes in North China and Inner Mongolia, representatives of political parties and an assortment of press representatives were proceeding to Nanking early this week in connection with the Central Political Conference convened by Wang Ching-wei as a prelude to the formation of his puppet central government. The conference was scheduled to open on March 20. Local press representatives and foreign correspondents, armed with neat passes furnished by the "Ministry of Publicity" of the still non-existent puppet government, departed from Shanghai's North Station at 6:30 a.m. on Tuesday in a special train provided free by the Japanese authorities. The train left under heavy guard and special precautions were taken to prevent possible attacks by Chinese guerillas en route, since the train also carried numerous puppet officials and their friends

From: "Puppet Show Gets Under Way in Nanking"

Reply to an Attack on The China Weekly Review ★ ★

WALTER Simmons, the *Chicago Tribune's* Tokyo correspondent, has made a particularly bitter attack upon the *China Weekly Review* and several of its staff members, charging, both flatly and by implication, that the *Review* and those who work on it are communists.

This charge was made in an article by Simmons which appeared in the *Washington (D.C.) Times-Herald*, a paper closely associated with the *Chicago Tribune*. Presumbly the same article also was carried by the *Tribune* and possibly by another affiliated paper, the *New York Daily News*, although the only clipping of the story we have received to date is from the *Times-Herald*.

Simmons' story, which is reprinted in full at the bottom of this page, bears out a long-time contention of ours: That a certain section of the American press is utterly irresponsible, is not willing to allow truth to stand in its way when it desires to achieve partisan political ends or circulation-building sensation or some other personal objective.

Simmons begins his article with a rather cleverly-contrived paragraph which combines both insinuation and outright falsehood designed to smear the *Review*. He says:

"The only American-owned publication still permitted by the Chinese Communists is a Shanghai magazine which never deviates from the communist line and apologizes continuously for the American way of life."

It is a flat lie that the *Review* is the only American-owned publication still *permitted* to carry on. To date the new authorities have not concerned themselves with the foreign press in China, be it American or British or of any other nationality. As a matter of fact, at the time of Shanghai's liberation there were only two American-owned publications remaining in the city, the *Shanghai Evening Post and Mercury* and the *China Weekly Review*. The *Post* closed shortly after liberation following a long and bitter argument between the editor and the printing plant workers arising out of a wage dispute. The *Post* was finally closed by the editor because he desired to stop publication.

Further, to claim that the *Review* "never deviates" from the "communist line" and that it "apologizes continuously" for the American way of life is patently false, as the most superficial reading of a few issues of the *Review* will show. The opinions expressed in the editorial columns are those of the editor and are not the result of following any "line." The charge that the *Review* "apologizes" for the American way of life is rather obscure. The editor apologizes for nothing. He says what he honestly believes needs saying. If he believes something is good, he says so; if not, he says so. This is true of all subjects and is not restricted to the "American way of life" or to any other "way" of life.

In addition to the obvious falsehoods, this paragraph carries quite a lot by implication. A reader in Washington, D.C. cannot be expected to know much about Shanghai. Thus, the expression "only American-owned publication" may well convey to him "only *foreign* publication." Possibly Simmons, in his haste to find "another red" and grab the headlines, "neglected" to add that the conservative British-owned *North China Daily News*, long the city's leading foreign-language daily and now in its 99th year, has continued and is continuing publication in Shanghai. He also failed to mention that the only closures of foreign-owned publications since the liberation, aside from the case of the *Post*, have been due to poor business and that, including the *North China* and the *Review*, Shanghai still has four foreign owned publications, out of a pre-liberation total of seven.

Getting down to specific cases, Simmons cites a signed article written by the editor in the December 3, 1949, issue of the *Review*. This article, entitled "The American Scene," dealt with the editor's observations—and subsequent worries—of recent developments in America respecting civil liberties, the nation's economy, the position of labor unions, minority groups and many other things. The sum total of the article was a review of recent happenings in these particular fields and an expression of doubt as to the future maintenance of America's traditional free institutions if the present hysterical trend toward reaction continued.

Of this article Simmons says: "....Powell asserted that 'gangs of native fascists' are now ruling the United States, trying to turn it 'ever

SHANGHAI

By Walter Simmons

THE only American-owned publication permited by the Chinese Communists is a Shanghai magazine which never deviates from the communist line and apologizes continuously for the American way of life.

The magazine, the China Weekly Review, was once famous throughout the Orient. Published by J.B. Powell it stood up courageously against the Japanese.

When the war broke out, Powell was among the first to be jailed. He lost his feet during confinement and died after being repatriated.

AFTER the war the magazine was taken over by his son, John W. Powell. It rapidly gained a pro-communist reputation. It was supported with advertising, however, by American businessmen who were bitter over trade controls imposed by the Nationalist government.

Copies of the Review are now received regularly in Hong Kong since the reopening of the Shanghai-Canton railway.

Reporting on "The American Scene" in a typical issue, Powell asserted that "gangs of native Fascists" are now ruling the United States, trying to turn it "ever further toward the path trod by Hitler's Germany."

Union picket lines, according to Powell, are commonly broken up by hired company thugs. When the police appear, he went on, the beaten pickets are arrested, jailed and denied bail.

IN typical editorials, Powell bitterly attacked Claire Chennault, famous Flying Tiger and anti-communist and upheld the Chinese Communists in the Peking consulate dispute which resulted in American diplomatic personnel being ordered from China.

The Review is reported to be censored before publication by Dr. Sidney K. Wei, a former University of Chicago student who is deputy mayor of Red Shanghai.

The make-up of the Review's staff is interesting to Americans. A contributing editor is Julian Schuman, who was a "string" correspondent for the *Chicago Sun-Times* and the American Broadcasting Corporation until American newsmen were forbidden to send dispatches from China.

MARY Barrett, an associate editor, came to China as a news editor for the United States Information Service, an agency of the State Department. Her duties involved editing the daily USIS report for Chinese newspapers.

William Berges, a contributing editor, come to Shanghai last year as an official of the United Nations Children's Emergency Fund and immediately joined the devoted American circle about Madame Sun Yat-sen. Powell's wife, Sylvia, who came to China as an UNRRA employe, was also in this group.

The *Review* apparently is suffering financial difficulties, since it now publishes weekly appeals for help. Its price per copy has jumped from 1,500 Communist dollars to 4,000 since December 3. The only advertisement in recent issues is a half page bought by the Standard Vacuum Oil Company.

further toward the path trod by Hitler's Germany.' "

This is a plain distortion. These quotes were lifted from their context in the following paragraph:

"It is not the left of center people who desire to destroy freedom in the United States today. Rather the would be destroyers are the various gangs of native fascists who, using the word 'communism' as a smoke-screen, are trying to turn America ever further toward the path trod by Hitler's Germany."

Even the most careful reading of the above paragraph fails to reveal any statement that " 'gangs of native fascists' are now ruling the United States." However, such a reading shows where Simmons got his quotes. The difference between the meaning of the original paragraph and Simmons' version is readily apparent.

Continuing, Simmons quotes the same article as follows:

"Union picket lines, according to Powell, are commonly broken up by hired company thugs. When the police appear, he went on, the beaten pickets are arrested, jailed and denied bail."

This paragraph was made up of words snatched from a seven or eight paragraph section of the article in which were listed some half dozen cases of illegal violence, two of which involved striking workers. The instances cited were all based on American news agency dispatches or newspaper clippings from the United States and in most cases names, dates, places and other pertinent facts were given.

The article reported that this type of violence, especially in labor-management disputes, was on the increase. It was stated clearly that this was not the rule, but unfortunately such type of activity was increasing.

It was out of sentences such as these that Simmons constructed his "version" of what we said. Not only did he distort, but he fabricated. For instance, nowhere can the statement be found that "the beaten pickets are arrested, jailed and denied bail."

It is one thing for a reporter to make a mistake in an interview or to misquote a speaker, but it is quite another thing to make a mistake when commenting upon an article or written statement which the reporter has in front of him at the time of writing. Considering that Simmons is an experienced writer, an old timer who has been in the business for many years, such a type of reporting is indeed surprising.

With this Simmons finished with specific "analyses" of the *Review's* content. Turning to more general complaints, he writes:

"In typical editorials, Powell bitterly attacked Claire Chennault, famous Flying Tiger and anti-communist, and upheld the Chinese communists in the Peking consulate dispute which resulted in American diplomatic personnel being ordered from China."

It is certainly true that we recently "attacked" Chennault and, we believe, with justifiable reason. Chennault is an anti-communist, but that was not the ground upon which we criticized him. Our complaint was over his efforts to grab the Hongkong assets of China's two national airlines. Since then, the Hongkong courts have borne out our contention: That legally he didn't have a leg to stand on and that his whole case smelled.

In the January 28, 1950, issue of the *Review* we commented upon the Peking consular dispute, saying that we thought the Chinese position regarding the property was justified by law, citing portions of pertinent treaties between China and the US to back up our opinion. We also said that we felt that Secretary of State Acheson merely used the incident as an excuse for withdrawing US consular and diplomatic personnel from China, an opinion which was confirmed in subsequent personal talks with US consular staff members in China who took the same view.

Life of Fishermen—*Wang Chi*

In both of these cases, each of which was a dispute between two contending parties, we expressed an opinion which we considered honest and justified by the available facts. In both cases we presented the facts upon which we based our opinions. In the one case a legally-constituted British court has supported our contention. In the other, opinions may continue to differ, but we have yet to see any evidence which convinces us that our original position needs to be altered. If we should, we would alter it, but only on the basis of *facts* and not because of politics or prejudice or personal considerations.

Apparently having by now exhausted nearly all of his "evidence," Simmons turns to pure invention. He says, and this part of his article is set in heavy, bold-face type:

"The *Review* is reported to be censored before publication by Dr. Sidney K. Wei, a former University of Chicago student who now is deputy mayor of Red Shanghai."

This is a bare-faced lie! By this paragraph Simmons clearly exposes himself. There is no censorship in Shanghai, aside from a caution to editors about disclosing information that may be militarily useful to the enemy, such as detailed descriptions of where the KMT's last bombs landed, where the city's anti-aircraft guns are located, and so on.

Otherwise, the Chinese newspapers and magazines, as well as the British-owned *North China Daily News*, the American-owned *China Weekly Review* and the other foreign-owned publications print whatever their respective editors think is fit to print. This is in sharp contrast to the KMT days when Simmons was an occasional visitor and when the foreign correspondents and the local press were from time to time subjected to censorship, both directly and indirectly and when reporters were beaten and editors jailed.

Further, there is no deputy mayor of Shanghai named Sydney K. Wei. For a short period immediately following the city's liberation, one of the deputy mayors was Wei Chueh, a well known educator, who subsequently was named a vice-minister of education in the Peking government. Possibly Simmons was thinking of this man, but if so, he seems to have got the whole thing, including the name, balled up. In any event there was never a censor named Wei, since there has never been a censor, even for military news.

The remainder of Simmons' article is made up of descriptions of the alleged "connections" of two occasional contributors to the Review and one staff number, plus the wife of the editor. While we cannot know the purpose of these personal attacks we might hazard a guess that they will serve the purpose of discrediting the "other" organizations with which these three people were formerly connected. Having "dammed" the *Review* as a red sheet, he implies that these people, by being connected with it, must also be reds.

The three "other" organizations—the *Chicago Sun-Times*, the US State Department, and the United Nations—are all standard "enemies" of Simmons' boss, Col. Robert Mc-

Cormick, the publisher of the *Chicago Tribune*.

Of the three, William Berges, a contributing editor who writes an occasional signed article for the *Review*, and the editor's wife, Sylvia Campbell Powell, are singled out for special mention. Simmons says:

"William Berges, a contributing editor, came to Shanghai last year as an official of the United Nations Children's emergency fund and immediately joined the devoted American circle about Madame Sun Yat-sen. Powell's wife, Sylvia, who came to China as an UNRRA employee, was also in this group."

The first error in this paragraph is that Berges did not come to Shanghai last year nor did he come as a United Nations official. An engineer by profession, he has lived in Shanghai and other parts of China for a number of years. He did serve for a short period as a member of the UNICEF staff in China.

This "devoted circle" or, as Simmons implies, this "communist cell," appears to be a figment of the writer's imagination. We have lived and worked in Shanghai for a number of years, stretching back to pre-war days, and we have never before heard of such a group. This seems strange, especially considering the charge that one of the *Review's* contributors, as well as the editor's wife, were supposed to be members.

The only "group" of foreigners having even the remotest connection with Madame Sun which we know of was made up of local society matrons — wives of foreign consular and diplomatic officers and wives of local foreign and Chinese businessmen—who served on a "ladies committee" of the China Welfare Fund (of which the editor's wife was a paid employee), a private charity and general welfare organization of which Madame Sun was the chairman. Perhaps Berges' connection was that he was for a time an official of a United Nations body which distributed milk powder and other supplies to the city's various relief organizations, including, of course, the China Welfare Fund.

In his concluding paragraph Simmons says that the *Review* has lost virtually all of its advertising and is apparently suffering financial difficulties since it has published appeals for help. There is no denying the fact that with the loss of advertising revenue, we have had to rely entirely upon circulation. Naturally, we have done our utmost to increase the *Review's* audience so as to get the magazine back on a self-supporting basis and lessen the financial burden which it imposes upon our other publications.

* * *

WE are quite unhappy about this attack upon the *Review* and various people connected with it, although we are used to being criticized. Usually such criticism has been because of our stand on some controversial issue. Occasionally, what we have said has been disputed on the basis of fact. However, this is one of the first times we have been attacked on the basis of a complete set of falsehoods and unjust insinuations. It is absolutely the first time that a critic has tried to put false words in our mouth. And we don't like it a bit.

We can only speculate as to the reason or reasons which called forth such a vicious attempt to smear the *Review* and all connected with it. It may have been only a desire to cash in on the current anti-red hysteria in America, an attempt to grab the headlines. Or it may have been that some of the statements in the article, "The American Scene," hit too close to home.

A few lines in that article seem to us to describe the present case. One of the methods of suppressing unwelcome criticism, the article said, "is to deride those objecting to present policies and trends. The usual strategy is to call them reds, to claim that they are anti-American, that they are subversive. . ."

Those who follow the China scene through the columns of the *Review* will be interested to know that our appeals to readers have brought results and that new subscriptions have been coming in at an increased rate in recent weeks, particularly from abroad. We appreciate the help of old readers and hope that they will keep up their good efforts. We believe that today more than ever readers abroad are in need of accurate and objective information from China.

— *JOHN W. POWELL*

Kaifeng Industrial Production

Immediately following the liberation of Shanghai, extensive efforts were made to persuade local factory owners to move all possible equipment to interior cities more suited for industrial development. Kaifeng, in Honan Province, is one of the more suitable locations for new factories and a number of local plants, especially cotton and tobacco manufacturers, have already moved or made plans to move to that city. Last week the Ta Kung Pao published the results of a survey it had made of industrial conditions in Kaifeng. Following are a few highlights:

* * *

THERE are close to 5,000 industrial plants in Kaifeng, the majority being relatively small, semi-mechanical shops. On the whole the city's industry has experienced a gradually increasing degree of prosperity since its liberation. Production increases steadily from month to month.

The pace for the city's industry is set by nine plants which fall into the category of public or semi-public factories, some being owned by the government and some being operated by joint companies in which both public and private funds are invested. The nine plants are: Kaifeng Match Factory, Kaifeng Oil Extracting Factory, Kaifeng Sulphur Refining Factory, Honan Pharmaceutical Works, Pooning Power Company, Hsinming Egg Factory, Popular Cigarette Factory, People's Weaving Mill and Tienfoong Flour Company. All are operated under the direction of the Kaifeng Industrial Company.

The Kaifeng Match Factory has raised its production by more than one-third since the beginning of this year and is now turning out more than 30 cases per month, with all of its machinery being utilized.

The Kaifeng Oil Extracting Factory has increased production from 5,000 catties (1 catty=1 1/3 pounds) monthly to 200,000 catties in February. Installation of soap making machinery is in progress and output is expected to reach 4,000 catties of soap daily.

The Pooning Power Company has one 2,000 kilowatt generator which in the past produced only about 1,500 kw. Beginning in January output was increased almost weekly. New equipment is being purchased and output is expected to be increased considerably after its installation.

The Popular Cigarette Factory has increased production by 100 percent since the beginning of the year.

The People's Weaving Mill has just been established and is not yet in operation. The Hsinming Egg Factory has operated only spasmodically because of a shortage of raw materials, but nevertheless is reported to be turning in an overall profit.

Plants transferred from Shanghai and other coastal cities to Kaifeng, including such better known ones as Shanghai's Lunghwa Tobacco Factory, Chen Ming and Sin Sin match factories and Wusih's Ching Hsin and Cheng Sing cotton mills, are reporting exceptionally good business.

The Lunghwa Tobacco Factory, for example, has been in operation for more than a month. During this period it has turned out 182 cases of Golden Lion cigarettes, 74 cases of Hongliu cigarettes and 26 cases of Lunghwa cigarettes. The factory now has 20 agents in Kaifeng and more are being added. Meanwhile, the factory's first "outport" shipment is being readied for western Honan. Labor relations are said good and the workers publish a wall newspaper.

In conclusion the report notes that with the beginning of agrarian reform throughout the province the purchasing power of the farmers is increasing and the city's industry is consequently finding an ever growing market for its industrial products. The improved situation, it was pointed out, is reflected by the fact that since the city's liberation the number of factories in Kaifeng has increased by 296.

The Work of the People's Bank

As the main financial organ of the new government, the People's Bank has been given the key role in stabilizing and reorganizing the country's chaotic economy.

THE liberation of Shanghai on May 27, 1949, saw the financial situation of this city of 5,000,000 people in utter chaos. As a result of decades of imperialist exploitation and mismanagement by KMT bureaucratic capital, the economic position of Shanghai had been reduced before liberation to a precarious and artificial state of surface prosperity. This dazzling facade was propped up by an extreme dependence upon foreign import of raw materials and food; behind it, blackmarkets flourished and degrading poverty beggared the workers. The prosperous exterior hid the important fact that Shanghai's economic integration with the hinterland was extremely tenuous. Notorious government financial swindles, such as the Gold Yuan debacle, contributed to instability, lack of confidence and the impoverishment of the people.

The entrance of the PLA into Shanghai at one end, while the KMT fled in disorder out the other, sent the city's shaky and unreal financial structure down with a crash.

Impossible Situation

Thus, the situation which confronted the Shanghai Branch of the People's Bank, which commenced operations on May 30, was almost an impossible one. It faced the difficult task of clearing up the mess left behind by the KMT, whose trillions of banknotes flooded the city. The People's Bank had to establish a new financial order which would serve the people as a whole instead of the Four Families.

A new currency—the People's Currency—had to be put into circulation, the Four Families' bureaucratic financial monopolies had to be transformed, and the flow of supplies between the city and the countryside had to be set in motion. Not the least of the Bank's tasks was to promote production by financial assistance to industry, trade, transportation, agriculture, cooperatives and other enterprises.

That the Bank's manifold efforts have been successful is due chiefly to the leadership of the People's Government, the cooperation given by the masses, and the hard work of the staff.

The Bank's first act was to erase the worthless Gold Yuan currency. In the short space of 10 months—August 1948 to May 1949—the fabulous total of nearly GY68,000,000,000,000 (68 trillion) had been issued, of which it was estimated more than half was circulated in Shanghai. Since the KMT had busied itself during the months before liberation with shipping out of the city all the gold and other tangible assets it could lay its hands on, the Gold Yuan had become fiat money, which was utterly worthless before the KMT's large-scale flight.

The Bank set a time limit of seven days (May 30—June 5) for the recall of Gold Yuan, at the rate of GY100,000 to one JMP (People's Currency). The recall was handled through more than 200 commercial and native banks in addition to the various subbranches of the People's Bank. A total of GY36,000,000,000,000 (36 trillion) was thus recalled, putting into circulation in Shanghai a comparatively modest JMP360,000,000.

It was soon discovered, however, that the counterfeiters were busy. Five different designs of JMP50 and 100 denomination notes were found in circulation. The Public Security Bureau ferreted out the counterfeiters, who turned out to be mainly groups of KMT agents who had been left behind deliberately to upset the market. The People's Bank posted a large number of samples of genuine JMP notes about town for the guidance of the public, and soon all counterfeit JMP was eliminated.

Although JMP found wide circulation from the start, complete acceptance by the people met with resistance. Their bitter experience with KMT paper currency in the past had driven them to place their trust in foreign currency, gold or silver, all of which were hoarded and circulated surreptitiously in pre-liberation Shanghai. After liberation, with confidence in JMP still to be established, foreign notes, gold and silver continued to circulate. Silver dollars in particular were a principal medium of exchange in the market, and manipulators forced silver dollar-JMP quotations to fluctuate dizzily. This had an inflationary effect on commodity prices.

The situation became unmanageable, and owing in part to the pressure of public opinion, on June 10 the authorities announced measures for the control of gold and silver. At the same time, a surprise raid was made on the nerve center of speculative activities—the Shanghai Stock Exchange—as a result of which a large number of big-time speculators were arrested. Also, the People's Bank appointed the Bank of China to purchase silver dollars from the public at flexible and realistic quotations.

As a result of these measures, speculation in gold, silver and foreign currencies was eventually weeded out, thus removing some of the inflationary pressure on prices.

* * *

AMONG the first steps taken by the Shanghai Branch of the People's Bank to restore financial order was the resumption of the functions of the Shanghai Clearing House. Here again, speculative elements, who attempted to finance their operations by the issuance of worthless checks, had to be curbed. To stamp out speculation and maintain credit, on September 4 the People's Bank of the East China Area promulgated measures to curtail the issuance of rubber checks and to punish habitual offenders.

The large quantity of idle capital in Shanghai constituted an inflationary threat and provided speculative capital. To absorb idle funds and to divert them into productive channels, the People's Bank on June 14 set up the "parity deposit" system. To attract deposits and to protect the depositor against unavoidable inflation of the currency, the system was based upon a "parity deposit unit," expressed in JMP, which in turn was based upon the market price of rice, oil, coal briquettes and cloth. Unit quotations were published daily.

Parity deposits were of two kinds, current and fixed-term deposits. At first, current and 15-day deposits were limited to organized workers, teachers and students. with the maximum deposit set at one month's wages. No limit was set up on fixed-term deposits of three months or longer, which could be made by anyone.

Later, to broaden the base of the system, parity deposit regulations were eased and fixed-term deposits of longer than one month were permitted to be withdrawn at any time. From November 10, further to encourage deposits, interest rates were raised. The system showed its value during the three rapid price increases of the past seven months, when parity deposits absorbed enormous amounts of currency, thus considerably reducing the inflationary impact of idle funds. In the November price upsurge, parity deposits reached a peak total of JMP40,000,000,000, equivalent in value to more than 10,000 bales of cotton yarn at prevailing prices.

Campaign for Depositors

At the beginning of October, the People's Bank started a campaign for 100,000 new depositors. By the end of November, this goal was exceeded by almost 42 percent, with 141,805 new depositors. Distribution of new deposits as as follows:

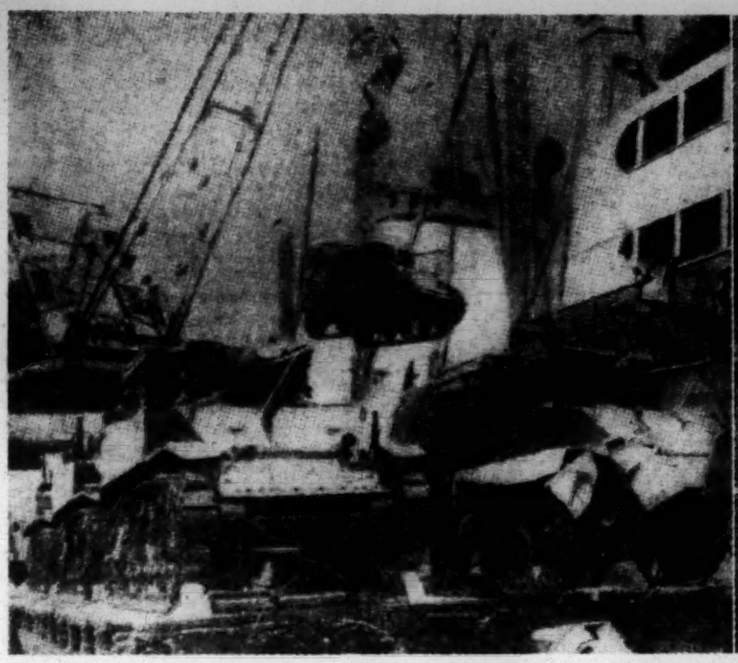
Bank or Branch	Number of Depositors
People's Bank: Business Department	18,183
People's Bank: Public Treasury Department	971
People's Bank: Cooperative and Savings Dept.	104,800
Bank of China	7,926
Bank of Communications	7,135
Postal Administration	2,790
Total	141,805

Office employees and workers made up 78 percent of the new depositors, whose deposits were chiefly parity unit and current deposits. Only six percent of new depositors were factories and firms.

While the People's Bank was thus the chief instrument in the restoration of Shanghai's financial order, it also played an important part in the revival of the city's industry and trade. The latter got under way again, under the extremely trying conditions imposed by the KMT coastal blockade and destructive air raids, with the aid of loans from the Bank.

With Shanghai's liberation, it became of urgent importance to assure the continuation of public utilities. City communications and many factories depended upon the supply of electricity for their operations. The People's Bank therefore granted loans to public utilities to tide them over

Shipments from America to Taiwan



THE above photographs are from the January 11 issue of the *New York Times*. Picture on the left shows American tanks destined for Taiwan being loaded aboard the Turkish freighter "Mardin." At the right Madame Chiang Kai-shek, wife of the Kuomintang's generalissimo, arrives at La Guardia airport with an escort of New York policemen to catch a plane for Taiwan, via Manila.

Of the tanks, the *Times*, in a special dispatch from Philadelphia, says that they are part of a shipment of 300 tanks, armored cars and half-tracks bought by the Kuomintang out of the US$125,000,000 military aid bill for Nationalist China passed by Congress in 1948. According to the bill of lading which accompanied the shipment, the tanks were bought for US$1,000 each, a small fraction of their original cost to the United States.

Stevedores working at the wharf where the tanks were loaded said that this was the fifth such shipment of tanks that they had handled for the Kuomintang. One was made last December, while another, of 75 tanks, was handled through the same port in November. The current shipment, the *Times* dispatch stated, was being handled for the account of Commerce International China, a New York City firm, with the financing undertaken by the Chase National Bank and its correspondents in Wilmington, Delaware, and Panama.

In Washington, State Department spokesman Michael J. McDermott emphasized that the tanks, most of which were delivered to the ship straight from the US Army Ordinance depot at Lima, Ohio, were bought by the Nationalist regime with funds previously given them by Congress and did not represent any new American aid to Chiang Kai-shek.

* * *

OF Madame Chiang's departure, the *Times* Stated that she left La Guardia airport aboard a Trans-World airliner, named "Star of China." She was reported looking tired and pale after a rough crossing of the American continent when the plane landed at San Francisco, where she was scheduled to spend a few hours before boarding a Pan American Airways clipper.

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the first difficult period. Up to the end of 1949, the Bank had released a total of more than JMP118,000,000,000 to the utilities, including the American-owned Shanghai Power Company. Such utility loans formed approximately 60 percent of the total loans extended by the Business Department of the People's Bank. A schedule of these loans is shown in Table I.

Most of these loans were employed by utility concerns to pay wages, purchase fuel and pay for electricity consumed. Loans were also granted to the Shanghai Power Company to reconvert its boilers from oil to coal burning. At very low interest rates, the loans were generally for periods of longer than one month

Widespread Loans

Following upon the loans to public utilities, the Shanghai Branch of the People's Bank commenced to extend all-out aid to both state-run and privately operated industrial, mining, communications, trade, agricultural, conservancy, cultural and educational enterprises in the city. These loans, which enabled a great number of enterprises to continue operations, thus contributed to the maintenance of production. Private enterprise benefited to a greater extent than state-run enterprises in the June-November period, as shown in Table II.

Other difficult problems faced Shanghai enterprises. One was that of finding outlets for their products in the interior, and the other was the procurement of raw materials, which, with the coastal blockade, had to be found in the interior or had to come from northern ports. The Bank gave financial aid to solve these problems by extending documentary loans to factories to encourage export of products, and import loans for raw material procurement. Documentary loans were started early in August; by the end of November, the Bank had granted 22 such loans totalling JMP412,720,000, to export firms. One import loan of JMP40,000,000 was granted during this period.

In August, the coastal blockade made the marketing of industrial products particularly difficult. To meet this situation, the Bank, in conjunction with local State trading corporations, started a program of ordering goods from factories. This had the effect of granting loans to the factories concerned. A total of 16 such orders for goods were placed during the period from the end of August to mid-October, totalling JMP2,130,000,000. Commodities bought included 6,000 dozen rubber shoes, 15,000 bolts of cloth, 2,000 gross of 1,000-yd. cotton thread, 8,000 gross of 450-yd. cotton thread, 3,000 bolts of canvas, 6,000 bolts of printed cloth, and other daily necessities. This government purchasing, while enabling factories to obtain circulating funds and to sell their produce, also enabled the government to secure commodities needed for its own organizations.

Early in December, the People's Bank started endorsing checks issued by borrowing firms, a measure which proved effective in helping enterprises to tide over a period of continuing stringency. During December, the Bank endorsed 239 checks issued by

Table I

	Loans Granted to State-Operated Public Utilities	Loans Granted to Privately Operated Public Utilities	Total Amount of Loans Granted by Business Dept. of People's Bank
June . . .	JMP 11,760,000	JMP 1,740,770,000	JMP 2,272,300,000
July . . .	35,920,000	6,847,210,000	9,741,930,000
August. . .	250,000,000	12,696,560,000	18,018,740,000
September. .	—	10,633,910,000	22,191,210,000
October . .	—	12,994,240,000	27,374,380,000
November . .	—	29,660,610,000	58,864,090,000
December . .	—	43,369,790,000	59,460,280,000
Total .	297,680,000	117,943,090,000	197,922,930,000

25 factories, for a total of nearly JMP26,000,000,000.

In addition to extending loans directly, the Bank mobilized Shanghai's private banking institutions to form a joint loan organ to finance the purchase of raw cotton. This drew greater amounts of private banking capital into productive channels. This organ, called the Joint Loan Syndicate, was formed in September by Shanghai's 173 private banks, with a capital of JMP4,000,000,000.

On December 14, another Joint Loan Release Board was formed by local state and private banking houses, with a capital of JMP 12,000,000,000, to assist local industry. The capital had been entirely released by January 20, 1950, to local factories.

Stimulating Trade

Efforts of the Bank to boost domestic remittance services contributed immensely to the interflow of commodities between Shanghai and other areas. On June 21, the People's Bank opened remittances to 27 localities, and remittances were extended to the Northeast on September 26. As of the end of December, remittances were permitted to 330 towns and cities. From the inauguration of this service to December 24, a total of JMP350,467,960,000 was remitted to Shanghai.

The People's Bank assigned the task of assisting the export trade to the Bank of China, which granted export documentary and packing loans, as well as loans for the collection of commodities for export. During the half year from June to November, the Bank of China granted loans totalling JMP4,950,000,000 to purchasers of straw hats, laces, peppermint, casings, skins and feathers, hog bristles, tung oil, processed tea, silk, cotton goods, etc., for export. During the same period, documentary loans totalling JMP1,130,000,000 and export packing loans totalling US$795,825 were granted.

The Shanghai Branch of the People's Bank charged the local office of the Bank of Communications with the responsibility of financing the salvaging of vessels, which had been scuttled in the Whangpoo by the retreating KMT forces, and with aiding transportation enterprises. With the aid of these loans, 27 ships, totalling 14,888 tons, were salvaged.

Farmers of the Shanghai area also benefited from the agricultural loan policy of the People's Bank, which set up offices in the suburbs to handle loans to farmers. From June to November, loans to farmers included 164,866 catties of rice, 183,285 catties of wheat flour, and 549 catties of green beans, in addition to 88,000 parity deposit units in cash for the manufacturing of agricultural implements.

To cope with the growing needs of cooperative enterprises, the Bank opened a Cooperative and Savings Department on October 1. Also, a combined Trust Department was formed by the amalgamation of the trust departments of the Bank of China and the Bank of Communications. To afford city-wide service, the People's Bank had, by the end of 1949, one sub-branch and 33 offices in the city and suburbs, as well as more than 130 service departments to handle foreign exchange deposits and 48 tax collection offices. An estimated 6,000 staff members were employed in these branches and offices.

* * *

Despite the extraordinary difficulties facing the Shanghai Branch of the People's Bank in its tasks and the short history of its operations, it has scored initial successes in stabilizing financial operations, directing idle funds into productive channels, and assisting necessary productive enterprises.

In a recent address to financial groups in Shanghai, Mr. Nan Hancheng, General Manager of the People's Bank, pointed out that the People's Bank is the appointed government bank during the present period of New Democracy. Other government financial organizations include the Bank of China, the Bank of Communications, the People's Insurance Company and the Agricultural Cooperative Bank. Mr. Nan stated that these, together with the People's Bank, form an integrated financial organization, whose chief function is to control note circulation, in order to stabilize commodity prices and thus develop production.

Existing commercial and native banks, Mr. Nan stated, will be permitted to continue their operations, provided they stop their former practices of maintaining fictitious accounts and using funds for speculative purposes. He pointed out that, in KMT days, banks in Tientsin and Peking had less than 10 percent of their funds in productive enterprises, while more than 90 percent was used for "operations calculated to disrupt production." Now, he reported, the situation is reversed, and these banks have 90 percent of their capital invested in productive enterprises.

Mr. Nan outlined the financial problems that have arisen during the liberation war period, some of which have special reference to big cities such as Shanghai and to their part in the financial structure of the new China. During the early part of the war, before the liberation of large cities, the financial burden fell almost wholly upon the peasants. It was assumed that after the cities were liberated, they would contribute their proportionate share in carrying this burden. Shanghai's tax receipts, for example, in KMT days constituted 60 percent of the nation's total. But Mr. Nan stated that the cities, far from contributing toward national finances, could not even support themselves, owing to the disruption of trade, necessary reorientation of business, etc. In Shanghai, the situation has taken a turn for the better in this respect, owing largely to the work of the Shanghai Branch of the People's Bank discussed above; but "this improvement is quite limited," said Mr. Nan, "nor can Peking and Nanknig yet be said to have found their means of subsistence."

Shanghai's Problems

Certain conditions in Shanghai, unlike those encountered after the liberation of Peking and Tientsin, contributed toward the price upheaval in Shanghai in July of 1949, which had repercussions throughout the country. Mr. Nan said that the number of troops stationed in Shanghai was very great and in addition, 250,000 staff members of KMT organizations had to be maintained. Living costs of the latter were four times greater than in other parts of the country. Also, while government staff in the north were issued millet, in Shanghai they were issued rice. All this was expensive and necessarily pumped huge amounts of currency into Shanghai.

Another cause of Shanghai's difficulties was the fact that since the "out-

Table II

1949 Month	Loans Granted to State Enterprises	Loans Granted to Private Enterprises	Total Amount of Loans Granted
June . . .	JMP 2,942,900	JMP 19,835,400	JMP 22,778,300
July . . .	25,039,500	72,379,800	97,419,300
August. . .	36,879,100	142,408,400	179,287,400
September. .	44,547,200	218,511,400	263,058,600
October . .	73,325,700	291,912,900	365,238,600
November . .	233,129,300	728,555,000	961,685,200

skirts of Shanghai were not old liberated areas, material resources were not in our hands, and the surrounding districts were surrounded by bandits," Mr. Nan reported. It was necessary to ship large quantities of supplies into the city, and the result of all the factors mentioned was the July price surge.

Although the Bank had made efforts at developing production, Mr. Nan pointed out that the July and November price upheavals had greatly affected its success. Admitting that the Bank had failed in not coordinating its trade and financial efforts, Mr. Nan also blamed speculative merchants in large part for the rapid price increases.

As for the coastal blockade, Mr. Nan said that it was a good thing; it would stimulate production in China of daily necessities, and had prevented an adverse balance of trade and the inflow of large quantities of luxury goods.

New Productive Policy

Regarding the Bank's role in aiding production in the cities, Mr. Nan said that the productive policy must be changed. "If rehabilitation means the rehabilitation of the old semi-colonial and semi-feudal conditions," he said, "then our revolution is superfluous, as the KMT reactionary clique could do better than we in preserving colonial and feudal institutions." Criticizing the complaints of merchants that since liberation "moss has grown in front of many shops," Mr. Nan replied that "moss-growing is not a bal thing. It depends upon where it grows. Isn't it a good thing if moss grows in front of dance halls? Wardlords, bureaucrats and landlords are all gone, and if the resorts they frequented did not grow moss, it would be too bad." Of business in general, he said that in the process of transforming cities serving imperialism into cities serving the people some depression in business is unavoidable.

The People's Bank is thus seen as the most important instrument of the People's Government for the carrying out of its policies in the economic and financial sphere. It is not a passive banknote-producing organ, but one which, as shown by the activities of the Shanghai Branch, is taking the lead in the advance toward an economy suited to the needs of the people.

"Rehabilitation and development of production are the two major objectives of the current year," said Mr. Nan, but in the rehabilitation of both agricultural and industrial production, reforms must be carried out. Preparations for the liberation of Taiwan are a heavy drain on the country's resources, and the action itself will be an expensive one; but meanwhile the Bank is pursuing its major objectives, and 1950 should see considerable progress toward the restoration of China's economic stability.

— T. P. KING

An Ancient Art Form

Shaohsing Opera

Chiang Hsi-fan (蔣錫藩)

UNLIKE much of the old Chinese theater, which was created by the literary class largely for itself and allied classes in society, such as the nobility and gentry, the Shaohsing opera was originally developed by and for the farmers. However, unlike those portions of the theater which gradually broadened their scope to include a wider audience, the Shaohsing opera was turned from a folk art into one which catered mainly to leisure class housewives in the cities, particularly in Shanghai.

The Shaohsing opera is a product of China's agrarian society. It originated in Chenhsien near Shaohsing in Chekiang province several hundred years ago. In the original form and content, Shaohsing operas were simply folk ballads composed and sung by farmers and dealt with the everyday problems of lower class rural life. At this time, far from being an "opera," the performance was known as Shao Ke Pan (小歌班) which actually meant informal groups without costumes or setting.

Feudal Influences

As the popularity of these shows increased, they gradually spread out into towns and cities throughout Chekiang province. It should be pointed out that the Shaohsing opera, conducted in the Shaohsing dialect, has never covered a very great area in China, as has the Peking opera which is performed throughout the entire country. However, including its huge Shanghai audiences, it is estimated to have been played in an area whose population exceeds 25,000,000.

As the popularity of the Shao Ke Pan increased and reached the more populated sections of Chekiang, the performers, who originally were amateurs, gradually fell into the professional category. An addition was made to the simple folk ballad and the music was harmonized with small drums and castanets. It then became known under a different name, Dido Pan (的篤班), which in Chinese means castanet company.

With the arrival of this art form in the cities and towns it was quickly seized by the ruling class and fitted into the feudalistic culture of the time. It was not long before the basic tenets of the play were "revised." No longer was there to be found the farmers' complaint against the landlords and other members of the ruling class. Instead, the contents were crammed with romantic tales and the principal parts were concerned with geniuses and lovely ladies.

With the development of the Dido Pan into the Shaohsing opera the actors for all roles were gradually filled by women alone. In Shanghai the opera soon took on the form which was to make it a must for so many of the city's upper-class women who were mainly interested in viewing a pageantry of costume as well as having themselves a good afternoon or evening of crying. It was at this time that the Shaohsing opera was renowned for having the most beautiful costumes of any stage in China. Saccharine and maudlin tales of betrayed virtue and lovers' suicides, were certain to bring out the handkerchiefs and sniffles of the chiefly feminine audience.

Like most of the other art forms under the Kuomintang, following the disillusionment of the intellectuals after the sellout of the revolution in 1927, the opera entered a period of almost total stagnation. Any real reform, such as revitalizing the opera as a people's art, was impossible because of KMT repression. Because of its fundamental foundation, it was unable to follow the lead of certain sections of the Chinese theater and movie industry, which adopted some of the more sensational aspects of the Western theater in an effort to gain more "popularity." Thus during the 'thirties and early 'forties Shaohsing opera made relatively few attempts to reach new audiences, continuing to cater to an essentially insipid upper middle class.

The resistance movement against Japanese aggression, however, had a considerable effect upon the opera. In the theater patriotic authors, directors and actors worked against the puppet government. Using the same methods by which they had pumped new life into some movies and Huah Chü, (話劇) — dramas which used the ordinary spoken language — many prominent stage people joined the Shaohsing circle. By 1942 the Ta Lai Theater (大來劇場) which was sponsored by the well-known Shaohsing actress, Yuen Hsueh-fen, established a new system of using specific writers and directors, as well as modern scenery and lighting.

Resistance to KMT

As the Kuomintang intensified its repressive acts in an effort to stave off defeat, Shanghai became the scene of a strengthening of united action on the part of progressives connected with the Shaohsing opera. Prior to the liberation, two plays were performed which, to all but the most naive, drew a parallel between KMT times and specific incidents in China's history. The Great Wall (萬里長城) was a sharp criticism of the cruel autocracy during the Chen Dynasty while the Heavenly Kingdom of Peace (太平天國) dealt with an early people's revolt. Both plays were subsequently banned by the KMT.

Following the liberation of Shanghai the city's Culture and Art Division (文藝處) began its work of reforming the various aspects of Shanghai's theaters. The progressive members of the Shaohsing opera,

who attended the Division's Local Drama Study Class (地方戲曲研究班) have now devoted themselves to the task of collectively studying ways and means of putting on plays appealing to workers, farmers and soldiers. The study class, for instance, emphasized the need for theater workers to learn and understand the thinking of the workers, farmers and soldiers.

In the period following the conclusion of the study class, which ended after six weeks (January 1 to February 15), the contents of numerous Shaohsing plays showed the results of the players' studying period.

Since Shanghai's liberation there have been two Shaohsing films. One was a version of Lu Hsun's "Hsiang Lin Shau" (祥林嫂), a rural tragedy and a technicolor picture "Yue Chi Ching Hua" (越劇菁華) produced by Hwang Tso-lin of the Wen Hwa Movie Company. Yuen Hsueh-fen's "Hsueh Sheng Group" (雪聲劇團) has been the leader of the four main Shaohsing groups in Shanghai. This group has also adopted a new system for paying salaries. The ordinary trouper receives the equivalent of 75 tickets per month, while Miss Yuen earns the receipts from 750 tickets per month. Meanwhile, the big names in both the "Yu Lan Group" (玉蘭劇團) and the "Tung Shan Group" (東山越劇社) receive the equivalent of 2,000 tickets per month while the average actor receives 0.5 percent of that sum. In January the "Hsueh Sheng Group" was dissolved and Yuen Hsueh-fen formed a new company made up of the best workers of her former group and the "Yuen Hwa Group" (永華劇團). This new company was called the "Shanghai Experimental Shaohsing Group" (上海實驗越劇團). In the future it is expected that this new group will set the pace among Shaohsing players in offering plays of a realistic nature.

New Type Opera

The arrival of the Spring Festival in the middle of February brought forth a new play by the "Tung Shan Group" which dealt with the reformation of criminals into useful citizens under a new society. The presentation of this play, "A New Life for Everybody" (萬戶更新), received favorable criticism as an ideal way for improving the Shaohsing opera.

Spring is the traditional time when the various groups rearrange their respective personnel by a reshuffling of the actors in the different theaters, but this year has seen many exceptions. However, the overall reform projects are not to be affected. Recently the Chekiang provincial government took on about 150 of the best "learners" from Shanghai, Hangchow and Shaohsing. These beginners were to be trained for two months in Hangchow and were to make up the nucleus of the future reformed Shaohsing plays.

As far as actual Shaohsing technique is concerned, one of the chief criticisms has been that the audience has felt that the Shaohsing tunes are very monotonous. This is chiefly because of the insistence of having all the roles played by women, a carry-over from the early feudal corruption of the opera. In undertaking a reform policy, which is partly based on the opinions of the audience, a number of changes have already been made, including that of turning out plays with both men and women actors.

Under the direction of the Shanghai Culture and Art Division efforts are being made to set up a mobile Shaohsing group, composed of many of the best players, and have them give performances throughout the towns and cities of this area. The plan also includes taking the plays to factories and putting into practice the policy which calls for serving the workers, farmers and soldiers. To a great extent the Shaohsing opera still caters to an audience of housewives, girl students and business women. However, a start has been made in attracting audiences from other groups.

The American People Do Not Want War

HOWARD Fast, writing in the *New Times Magazine*, describes the reactions of the American people to the current war scare. A news agency summary of the article, entitled, "The American People Do Not Want War," quotes Fast as saying: "How desperately our people want peace, how they long for peace and with what awful horror, with what sick and loathsome dread they received the news that the men in Washington had decided to make a super-bomb.

"A month ago it would have been harder to discover what our people feel, here in America; for the men who hold the reins in this land, the little clique of power-mad men, have created a most insidious and effective pattern of terror. With a carefully calculated and timed series of blows at key places and key individuals, they made it plain that any sort of consistent criticism would be met by the Truman government with fierce reprisal.

"A whole insane circus of pumpkin scares, spy scares, atom scares and various kindred forms of contrived madness were instituted by the government. This pattern of terror and intimidation was intended to silence the American people, to destroy their ability to resist fascism and to make them over into an army of touts and informers such as the Nazis created in Germany.

"This plan for the destruction of American democracy, for debasing the whole people and preparing an unholy and awful war, failed. The voice of the American people was not stilled."

The article is quoted as describing the reaction to Truman's announcement that the decision to make the super-bomb was his alone as follows: "There was silence at first, a deep moment of stunned and terrible silence. And then voices spoke that had been silent a long, long time—too long by far. Scientists first, for they who created out of knowledge and truth saw their creation in the hands of men who most hated knowledge and truth.

"Dr. Harold Urey, atomic scientist who had cried out for bigger and better bombs, saw his own monster rise up against him and he cursed his own gods. His colleague, Dr. Linus Pauling—an internationally famous chemist—told him publicly: 'Harold, you are wrong. Force is not the solution. I do not know the solution but I know that you are wrong. I know that war must be averted.'

"These were the voices heard, voices that had to be heard. But the voices of a hundred million plain and ordinary Americans said the same thing—that war must be averted. And in sardonic answer to them, Dean Acheson announced that no further effort would be made to find a peaceful solution to our differences with the Soviet Union.

"As if to take the edge off the voices rising, a sensational atomic spy-scare broke and fizzled, for our people chewed a bitter cud and there was more talk about the millions of pounds of potatoes which the government had decided to burn.

"Everywhere, people began to talk, protest, write, until the echo sounded even in those hollow spaces where Congress sits. There it was that Representative Chet Holifield of Los Angeles announced to Congress that the voters in his district were 'vitally' interested in peace and had been 'terribly shocked by the hydrogen bomb announcement.'

"And Representative Clare Hoffman of Michigan, never progressive, declared that 'always my constituents have been writing to me . . . and they tell me every time I am home—for heaven's sake, Clare, let us avoid war.'

"People were speaking singly in their homes, in committees, in their unions, through a stream of petitions.

"There is no question whether or not the American people want peace. They want it desperately; they long for it and fight for it—and that was one thing Mr. Truman did not intend to reveal when he announced plans for making his atom toy. Yet he revealed it—and better than it was revealed ever before in these times. The question now is for the many and various forces who are alike in their desire for peace and their hatred of war to unite in defense of peace. This is the goal of all thoughtful Americans of good will."

CHINA AFFAIRS

Fighting on Hainan; ECA Supplies Taken Over; American Aid to China

A large-scale Kuomintang attack on the liberated areas of Hainan Island, comprising the counties of Central and West Hainan, has been basically smashed, according to a *NCNA* dispatch from Hainan on March 18.

The attack was started at the beginning of January, with regular and irregular units advancing in several directions. They were either flung back with heavy losses or checked on all fronts.

At one time, a Kuomintang force got as far as a point near Loktung county seat where it was stopped and thrown into a panicky retreat.

A major contributing factor to the Kuomintang setback is the low morale of the Kuomintang troops who realize that their destruction will soon come with the liberation of the whole island by the People's Liberation Army, the dispatch says.

There is widespread desertion both among officers and men. Six hundred men and officers have deserted from one remnant unit which fled to the island from Kwangsi.

Meanwhile, PLA troops are reported to have entered Chenghwa, the northernmost city of Sinkiang province, bordering on the Soviet Union. The troops entered the city March 1, according to a *NCNA* dispatch from Tihwa.

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Assassin Arrested

IN 1946 the news that two respected professors in Kunming had been assassinated reached the outside world. While it was generally assumed that Professors Li Kung-po and Wen Yi-to had been killed by the Kuomintang for political reasons—they were both members of the China Democratic League—this could not be proved at the time.

The *New China News Agency* now reports the arrest, by the Chungking People's Government, of Hsiung Fu-kwang, a Kuomintang gestapo agent who has confessed to the assassination of the two professors. Hsiung was quoted as saying he killed them on the orders of the KMT garrison chief in Kunming, Ho Kwei-chang, and that, because of the dispatch with which he did the job, he was promoted to a higher position in the KMT garrison headquarters in Chungking.

* * *

Anhwei Floods

NEW floods were recently reported in Anhwei province. In North Anhwei, where floods were caused by the snow thawing, thousands of people are reported to have been made homeless as their land turned into lakes. Relief officials also fear the outbreak of epidemics.

In South Anhwei, the outburst of floods from mountain gorges near the Yangtze river bank smashed more than 3,000 dikes and flooded more than 1,700,000 mow of paddy fields.

Foodstuffs are being rushed to the province, according to press reports, and thousands of refugees are being recruited for the repair of dikes as work-relief projects. The refugees also are being helped to take up such side-line jobs as flour-grinding, mat-weaving, and cloth-spinning.

At the same time, efforts are being made to speed up drainage in order to save crops.

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Repatriation Drive

IN Shanghai, the work of repatriating refugees to their native places was stepped up following the air raids on the city. During the first 10 days of March, some 2,433 persons left the city, headed for North Kiangsu, North Anhwei and the Northeast, according to figures released by the Joint Relief Committee.

The committee is also dispersing the inmates of child welfare centers to places of safety.

On March 14, 26 planes raided the city, dropping more than 50 bombs. This was the thirteenth raid since February 6, when the Shanghai power plant was bombed and the city's electricity supply seriously impaired. KMT planes also raided Pengpu, an important railway town in North Anhwei, on March 15.

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China's Food Supply

THE Chinese government forecasts that grain surpluses this year in Manchuria, Inner Mongolia, Central and South China and Southwest China will be enough to cover grain deficiencies in other areas.

A *New China News Agency* dispatch from Peking reports that these surpluses are to be distributed to deficiency areas under a unified plan for the whole country.

"China will never again fall into the position of importing millions of tons of foreign grain while at the same time huge quantities of home-grown grain rot in the hinterlands," the *NCNA* dispatch declared.

According to the new plan, the deficiency in North China will be supplemented by surplus grain from Manchuria and Inner Mongolia. Additional Manchurian grain, plus surpluses from Central and South China and Szechuen province, is expected to make good the grain shortage in East China, including Shanghai.

Already 60,000 tons of grain have reached Hopei from Manchuria and two-thirds of the Inner Mongolian surpluses have arrived in Peking. Quantities of rice from Manchuria and the Yangtze basin are now flowing into Shanghai.

To facilitate shipment of the grain, contracts have been signed between the Ministry of Trade and the Ministries of Railways and Communications. At the same time, vessels are being organized along the Yangtze River and special transport committees are being formed in different areas.

Costs of the undertaking are to be borne by the government. But it is expected that the gains resulting from China's improved balance of trade and the effect the scheme will have on stabilizing prices will offset this.

No such scheme has ever been attempted in the past to solve the perennial problem of grain surpluses side by side with huge grain imports from abroad into some heavily populated areas. Under the Nationalists as much as 2,000,000 tons of foreign grain were imported yearly, while there was no market for the grain from the great grain-producing regions.

The present plan, which marks an important step in working toward a solution of China's food problem, stemmed from last winter's National Grain Conference, which decided in principle that grain distribution should be unified and that all surplus grain should be put at the disposal of the Central People's Government.

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ECA Supplies Taken Over

THE Shanghai Military Control Commission on March 16 ordered the taking over of all supplies of the China Branch of the US Economic Cooperation Administration in Shanghai and their use for emergency relief.

In reporting the action, the *New China News Agency* said, "It will be recalled that after the liberation of Shanghai the former head of the ECA branch in the city repeatedly announced his willingness to use the supplies for relief work. But this was only a pretext under which he attempted to set up special organizations for continued interference in China's internal affairs. Thus, instead of handing the supplies over to the Chinese relief organizations to be used in real relief work, they were left to rot.

"In view of the urgent needs of the famine-stricken people, the Shanghai Committee for Relief Through Production recently sent its representatives to take up the matter of using these supplies with the former head of the ECA branch. But the latter again presented various terms which interfere with China's internal affairs so that these talks brought no result. Therefore, the Shanghai Military Control Commission, complying with the request of the Shanghai Committee for Relief Through Production

issued an order to take over all the supplies of the ECA branch."

* * *

People's University

A new university opened in Peking this month. Called the Chinese People's University, it has an enrollment of 1,600 students, half of them industrial workers and advanced revolutionary cadres.

The school offers two to four-year courses in economics, economic planning, finance, credit, commerce, cooperatives, factory management, foreign affairs and law. Shorter courses lasting only six months also can be arranged.

Considerable emphasis is to be placed on practical work in the various specialized fields, with on-the-spot training in factories and institutions during winter and summer vacations.

The school also has a two-year Russian language course, and special research institutes have been established for research in Marx-Leninism, the problems of the Chinese revolution, education, finance and economics, law and foreign affairs.

The university has its own translation section, publications department and printing house.

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Czech Trade Mission

A trade mission from Czechoslovakia has arrived in Peking to conduct trade talks with the People's Government of China. The mission, which is headed by Dr. Frantisek Adamek, arrived on March 19.

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Tientsin Trade

SEVENTY vessels, totalling 239,167 tons, entered and cleared the port of Tientsin during the month of February, according to a report in the *Sin Wan Jih Pao*. Forty of the ships were foreign owned and 29 Chinese owned.

Of foreign ships leaving Tientsin during the month, 13 went to Hongkong, three to Great Britain and three to San Francisco, the report said.

* * *

Aid to China

THE *Ta Kung Pao* in Shanghai had some pointed comparisons to make about the nature of US aid to China as against the new treaty with the Soviet Union.

Answering the charge made by Americans that the Soviet credit of US$300,000,000 "is nothing," the paper said this money will enable China to import much needed machinery and equipment, whereas the billions of dollars of American aid since the war was mainly in the form of military weapons.

"In 1947," the paper declared, "machinery equipment imported from the United States was worth no more than US$3,500,000. Including trucks, gasoline and photographic materials, the total value was US$9,400,000.

"In 1948, imports from the United States increased a bit with the value of the four foregoing items aggregating US$13,900,000."

But with the Soviet credit of US$60,000,000 a year for five years, the paper said, "China can import more capital goods than ever before."

"In 1933," it said, "China imported only US$24,000,000 worth of machinery and metals. In 1923, China's imports amounted to only US$22,000,000. In 1938, the imports reached US$40,000,000."

Thus, the paper concluded, "we can get between one-third and two-thirds more machinery than in pre-war days with which to solve the fundamental problem of China's industrial construction."

The Week's Business

Government and private banks record increases in number of deposits as well as size of deposits; commodity prices stable; parity unit declines.

AS a result of the recent stabilization of commodity prices, idle capital in the market has begun to flow into local banks. During the past 10 days deposits at both state and private banks in the city registered sharp increases, local financial circles reported.

Following the institution of the "current-fixed" deposit system under which withdrawals can be made on any day but with the interest rate of fixed deposits given, deposits at the Shanghai Branch of the People's Bank and the Bank of China have been growing. During the four-day period from March 14 to 17, the number of depositors at the Bank of China increased by more than 2,000, while the total amount of deposits reached JMP 7,000,000,000.

Deposits at the local private banks have increased correspondingly. At the Sin Hua Trust, Savings and Commercial Bank, deposits reached a figure of approximately JMP30,000,000,000 during the first week of March. These increases in bank deposits, according to financial observers, are brought about by two factors:

1) Because of the stabilized market, holders of funds have now adopted a wait-and-see attitude with regard to the purchase of goods, and have been putting their money into the banks.

2) As March 31 is the deadline for payment for Victory Bonds as well as for several types of taxes, a number of trade and industrial groups have been liquidating their goods for cash, which for the time being they are depositing at the local banks.

These two factors, coupled with the recall of currency from circulation through the payment of taxes and bonds, have accounted for the mild declines in commodity quotations of late. The wholesale commodity price index for March 13, according to the *Giefang Rhbao*, was 24,701 times. It rose to 24,858 times on March 14, but came down to 24,400 by March 18. Commodity prices continued to decline during the first part of the week ending March 25, and the parity deposit unit rate was quoted at JMP5,936 on March 21.

Turnovers in various commodity markets, including rice, wheat flour, sugar, edible oil, cotton yarn and cotton cloth, showed further reductions, being less than 50 percent when compared with average turnovers in September, 1949.

The Ministry of Trade of the Central People's Government and the People's Bank have jointly set up treasuries for the state-owned trading concerns in Peking, Tientsin, Shanghai and Hankow. In these cities all money collected by the state organs is deposited each day at the People's Bank, which exercises the function of the treasuries.

Up to March 14, the various handling agents or branches of the Government Treasury in the various districts of the country including Peking, Tientsin, Shanghai, Paoting, Shihchiachuang, Tongshan, Kalgan, Tsinan, Changsha and Kaifeng are said to have shown a total surplus amounting to JMP190,000,000,000 as a result of the collection after deducting expenses of the various trading corporations. Of this amount, JMP50,000,000,000 has been paid over to the Government Treasury by the Ministry of Trade.

The state trading corporations in Shanghai have also been making continuous efforts to improve their sales system. Beginning on March 17, the Shanghai Cotton, Cotton Yarn and Cotton Cloth Corporation dispensed with the ration system in favor of free purchases. The China Oils and Tallow Corporation also decided to supply edible oil to consumers directly in addition to sales in the wholesale market. The Shanghai Chemical Raw Materials Corporation recently lifted all restrictions with regard to the quantity and date for the purchase of sugar and various kinds of chemical raw materials by direct consumers.

Quotations

Following is a listing of representative commodity prices for the past week:

	Mar. 15 JMP	Mar. 22 JMP
Parity Unit	6,255	6,066
US dollar (note)	34,200	38,000
20's yarn	6,900,000	5,900,000
12-lb. cloth	286,000	273,000
Rice, 1st grade	280,00	282,000
Peanut oil	590,000	570,000
Coal briquette	28,600	28,600

Down the Drain

AFTER years of neglect under the Kuomintang, Peking's water supply and sewage system is being renovated. Fifteen thousand persons, including soldiers from the People's Liberation Army, have been mobilized to tackle the repair job.

Peking's water system dates back to ancient times, when three artificial lakes were created in the city and a network of moats was dug around the city walls, providing the city with a complete water belt. Water from the Jade Fountain Hill constantly replenished both the lakes and the outer moats, finally flowing away into the Grand Canal, which empties into the distant Yangtze.

Through the years, however, the lakes became overgrown with weeds and the moats half clogged with garbage. The channel carrying water from Jade Fountain Hill was unattended for so long that the supply of water dropped. The stagnant water in the moats made a fertile breeding ground for mosquitoes, flies and bacteria.

After Peking was liberated last January, the People's Government surveyed the city's water and drainage system. It found that the network of underground sewers carrying sewage from wealthier quarters of the city did not run into the Grand Canal, but surfaced within the city, in the heart of a densely populated working class quarter.

Repair crews now are widening and deepening the canal from Jade Fountain Hill, and erecting new sluice gates at various points along the canals and moats. These gates will be opened at intervals, enabling the whole system to be flushed regularly.

The open drain which runs through the working class section of the city is being replaced by an underground pipe running to the Grand Canal, thus removing one of the city's most potent sources of infection.

Peking inhabitants watching the cartloads of slime and earth being hauled away have been reported as saying: "We are at last seeing the end of the Kuomintang muck."

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News from Hongkong

CHINESE industrial and commercial circles in Hongkong issued a statement on March 15 condemning Nationalist bombings of Chinese cities.

The statement, signed by 200 leading industrialists, urged the Chinese populace of Hongkong to purchase Victory Bonds to support the liberation of Taiwan and Hainan.

Although Canton is said to be enjoying a respite from bombings, another attempt has been made to destroy Sheklung bridge, on the Canton-Kowloon Railway. All bombs dropped fell far off the target, according to Chinese reports from Canton.

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A large number of Chinese wishing to proceed to the United States are at present stranded in Hongkong as they are unable to obtain passports.

Following the United Kingdom's recognition of the Central People's Government, the Nationalist Ministry of Foreign Affairs office in Hongkong closed down, and any Chinese wishing to proceed abroad has to secure a passport from Taipeh.

This usually takes at least two to three months, according to usually reliable sources.

Aside from the time element, it is costly to obtain a Nationalist passport.

Besides having to pay the equivalent of 61 Hongkong dollars for such a document, the applicant is compelled to "contribute" 600 Taiwan dollars for "bonds".

CHOU EN-LAI REPLIES TO ACHESON

THE United States Secretary of State, Mr. Dean Acheson, made what is described as a comprehensive review of the situation in Asia in a speech given by him at San Francisco on March 15.

The text of this speech has not yet been released in China except for a brief report in the *North China Daily News*.

According to this report, Mr. Acheson said that American policy in Asia was based solely on a desire to help the people of that area.

"We are interested in the people of Asia as people," Acheson declared. "We are interested in their welfare as people. We do not want to use them for any purpose of our own. What we want to do is to help them."

Chou En-lai's Reply

CHOU En-lai, Minister of Foreign Affairs of the Central People's Government, made the following statement in Peking on March 18 in reply to Dean Acheson's speech, according to the *NCNA*:

Dean Acheson, Secretary of the US State Department made another long speech about Asia on March 15. The aim of Acheson's incessant speeches and recent talks is to dupe some people who still lack experience of America's aggressive policy. But, in the light of facts, Acheson's words are clearly inaccurate.

In his March 15 speech, Acheson said that America does not "want to take anything" from the peoples of Asia and does not "want to deny them any opportunity, any freedom, any right."

In reality, America not only acquired the Philippines and numerous other strategic islands of the Pacific 50 years ago, and took control over Japan and South Korea after the Second World War, but also is attempting to control China, Indonesia, Vietnam, Thailand, Burma and India. The whole world knows that the United States Government, in its attempt to annex China, has supported Chiang Kai-shek in waging large-scale civil war, denying the Chinese people any freedom or any rights, any opportunity to live in independence and peace. To this moment, the United States Government is supplying the Chiang Kai-shek brigands with aircraft to bomb the mainland of China. Is this not a fact?

The United States is employing similar methods to support the puppets Bao Dai, Syngman Rhee and Quirino in undermining the national independence movements of the Democratic Republic of Vietnam and of South Korea and the Philippines. However, Acheson declares that the United States "supports" the movements for national independence of the peoples of Asia. Is this not turning facts upside down?

Acheson says to the Chinese people: Why don't you ask for American aid? America wants so much to "aid" you!

But from their personal experience the Chinese people have realized what America's so-called "aid" means. It means death for millions, it means the loss of national freedom and rights. Since the Chinese rid themselves of American "aid," things have improved for China and she has become really independent.

This is a useful lesson for the people of colonial and semi-colonial countries who have been selected, or are being selected, as objects of aggression by American imperialism.

Acheson continued to try to disrupt the great alliance recently contracted between China and the Soviet Union. But anyone with a little commensense knows that his fabrications and slanders are like a mosquito trying to shatter the fortress of world peace.

Acheson threatens: The signing of an alliance of equality and friendship between the Chinese people and the Soviet Union — brushing aside the "established friendship" of the American aggressors—is "hostile to the interests of the United States." He also threatens that China must not concern herself with Asian affairs, on pain of violating not only "every tradition and interest of the Chinese people" and "the traditions and interests of their Asian neighbors, of the American people, and indeed of all free people," but also of violating the United Nations Charter.

I think I must tell Acheson, on behalf of the biggest nation in Asia and of her people, that these ridiculous threats are anachronistic. Calm down and look at the map!

The affairs of the peoples of Asia must never be interfered with by such American imperialists as Acheson and company on the other side of the Pacific Ocean!

INTERNATIONAL AFFAIRS

INDO-CHINA

US Naval Mission

BAO Dai arrived at Saigon on March 15 to welcome Admiral W. P. Berkey, commanding the Seventh American Fleet.

Admiral Berkey was due to arrive in Saigon the following day with an American naval mission. The mission was to come in two destroyers, the *Anderson* and *Stickell*, and the aircraft-carrier *Boxer*.

Big preparations were made, reports say, to welcome the 800 officers and men during their four-day visit, the first paid by American naval craft to Saigon since the war with Japan.

Bao Dai or the French

IN an editorial, on March 13, the *New York Times* said that it might be disastrous if a dispute on the form of United States aid were to delay military and economic assistance to Bao Dai.

The *Times* said there was a sharp difference between the French and Bao Dai's government on what course should be taken.

The French insisted that American assistance should be channelled through them. Bao Dai wants direct assistance for himself.

The *Times* suggested the establishment of a joint French-Bao Dai authority for the express purpose of taking advantage of American aid.

It argued that, while the aid would help the French to suppress the Democratic Republic of Vietnam, the impression should be given that the aid was not going to the French but to Indo-China.

"It could be made quite plain that United States help was directed to Indo-China and not to the French in Indo-China as such," the *Times* said.

"At the same time it could be made equally plain that the use of that assistance would have to be in complete coordination with French forces and the French Command."

Demonstrations in Saigon

In Saigon, on March 19, Vietminh guerillas and students, with popular support, staged demonstrations against American intervention in Indo-China, according to reports from that city.

The demonstrations began with a meeting of 3,000 students which was broken up by police using tear gas.

Later, groups of students went to the Town Hall and the quayside, where the American destroyers *Stickell* and *Anderson* were tied up, declaring that they wanted to protest against American aid to Bao Dai.

Crowds tore down Bao Dai, French and American flags near the Town Hall. According to reports, other elements staged an attack on the city's central market. Buses were driven into the main road junctions covering the entrance to the market, blocking the arrival of army patrol cars and firebrigades. The market was set on fire.

Police fired on demonstrators killing 4 and injuring 41. Six people were arrested including one woman and one student.

French, Bao Dai and Legionnaire troops and policemen in armored cars and jeeps patrolled the streets, and took up positions covering the quay approaches to the American destroyers.

US Activities in Indo-China

SAIGON reports, on March 15, said that immediate American aid to Bao Dai would probably amount to US$100,000,000, sufficient to equip a puppet army of 100,000 men, and re-equip the French forces now in Indo-China.

The military aid, consisting of materials and equipment, will be distributed by a Franco-Bao Dai commission under American supervision, according to Bao Dai political circles.

Mr. Robert Allen Griffin, head of the American economic mission, who is about to leave Indo-China, said at Hanoi on March 14 that economic aid would be given directly to Bao Dai, head of the puppet state.

It would be in two immediate forms, he added: government credits and credits by the Import-Export Bank.

The United States would also send American technicians to Bao Dai as "advisers".

US Aircraft Demonstrate

PARIS reports say that 71 fighter planes of the United States Seventh Air Force, from the aircraft carrier *Boxer*, on March 18 flew in formation over South Vietnam, where the Vietminh forces control many villages, according to news from Saigon.

Earlier the aircraft flew over Saigon.

The *Boxer* is cruising along the coast of Central Vietnam.

THE PACIFIC

New American Policy

DEAN Acheson, United States Secretary of State, was reported on March 19 to be planning a move to enlist Congressional support for a new United States policy in the Far East, Washington reports say.

Mr. Acheson has indicated that the United States may be ready to give limited economic and military aid to Southeast Asian governments who "wish to join a voluntary program aimed at halting the Far Eastern expansion of communism."

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THE United States Air Force in the Pacific is to spend US$34,000,000 to develop its base on Okinawa island, 500 miles south of Japan, it was announced in Tokyo on March 17.

A spokesman at the Headquarters of General Douglas MacArthur, Supreme Allied Commander in the Pacific, said the "go ahead" signal had been given and Congress had authorized the expenditure for a "typhoon-resistant type of construction."

Australia in the Pacific

HERBERT V. Evatt, the Labor Party's former Minister of External Affairs, declared in the House of Representatives, on March 16, that he felt Australia "could not defer indefinitely" some degree of recognition of the Central People's Government of China, reports from Canberra say.

He was speaking in a foreign affairs debate following a statement by the present External Affairs Minister, Mr. Percy Spender.

Mr. Evatt also raised the question of Japan as a possible future aggressor. "It is fallacious," he declared, "to concentrate on Russia as the only possible aggressor in the Pacific and Southeast Asia. I don't agree that Japan will be content to remain always ready to ally herself with those nations who were her chief enemies in the Second World War."

Evatt declared that a regional military pact for the Pacific and Southeast Asia would be of "considerable value," and that United States participation was essential.

"India's opposition," he added, "could be due to Premier Pandit Nehru's apparent belief that it might accelerate the extension of the cold war throughout Asia."

In Search of a Pact

MR. John Chang, South Korean Ambassador to Washington, will fly to Australia and New Zealand soon to sound out views on a possible Pacific Pact, Syngman Rhee, President of South Korea, told reporters in Soeul on March 17.

FRANCE

Foreign Arms Aid

FRENCH National Defense Minister Rene Pleven, on March 15, praised the aid being given by America to help rearm and modernize the French armed forces, Paris reports say.

He was speaking in the French Assembly in the second day's debate on the ratification of the Franco-American arms agreement under which the United States will send France war material estimated to be worth US$500,000,000 for the year ending June 1950.

Answering criticism by Communist deputies, M. Pleven said that the American military mission to France consisted of 35 officers, 27 men and 14 American civilians.

Paris Peace Conference

MEETING recently in Paris, the second national Congress of the French Fighters for Peace and Freedom adopted several resolutions designed to mobilize the French people against war, Paris reports say.

A resolution on the prohibition of atomic weapons said: "The defeat of war plans depends on us, French men and French women, inasmuch as French bases and infantry are integral parts of the aggressive Atlantic system. Our responsibility is enormous . . ."

"That is why the second national congress demands: the outlawing of the atomic weapon and all weapons designed for the wholesale extermination of people; suspension of the production of this weapon and destruction of existing stocks; establishment of international control over atomic energy in order to ensure peaceful development, on the principle of the observance of the political and economic independence of peoples; gradual disarmament by the great powers . . ."

GREAT BRITAIN

Peace Delegation in London

MEMBERS of a delegation of the Permanent Committee of the World Peace Congress who are in London to present to the British Parliament proposals concerning the maintenance of world peace explained their aims at a press conference on March 14.

Although invitations to attend the press conference had been sent by its organizers to all London newspapers and news agencies, the press was represented at the conference only by the Press Association, a representative of the London office of one provincial newspaper, and left-wing papers. The organizers consider that the conference was boycotted by all but the left-wing papers, London reports say.

Speaking at the conference, Mr. Crowther, chairman of the British Peace Committee, said that two Soviet delegates, Konstantin Simonov and Dimitri Kabalevsky, and also Archbishop Peter Jannos of Hungary, had not been granted visas by the British government and were at present in Prague, unable to continue their journey.

M. Servoz, deputy in the French National Assembly and member of the delegation, said that in face of the danger of a new war which was in fact being prepared, the peoples of the world must organize to propagate the idea of peace. "We are trying to do something that has never been done in the past," he said. "We are trying to organize, under the auspices of the World Peace Congress, representatives of every political party, of every profession and of every outlook in order to struggle for peace."

London reports say that Prime Minister Clement Attlee sent a note to the British Peace Committee saying that he was unable to receive the delegation of the Permanent Committee of the World Peace Congress. Conservative Party leader Winston Churchill so far has not replied to the British Peace Committee's letter.

Churchill on Germany

WINSTON Churchill has publicly taken up the cry for the military revival of Western Germany, London reports say.

Speaking in the House of Commons on March 16, Churchill said that the active aid of Western Germany was essential to the defensive plans of the Atlantic Pact nations.

"I say without hesitation that the effective defense of European frontiers cannot be achieved if the German contribution is excluded.

"The decision does not rest with this country alone, but we must have a policy and the House ought to know what is our policy.

"It is painful to witness the present indecision and also the petty annoyances by which the reconciliation of France and Great Britain with Germany is hindered by belated dismantling of a few remaining factories and still more belated trials of aged German generals."

Cold War's Cost

In a report released in Washington, the Committee for Economic Development estimated that "national security" will cost America US$20,000,000,000 annually. An organization of American business executives, the CED said the 20 billion estimate embraces several items, including military defense, arming of non-communist nations, ECA, atomic development, Voice of America broadcasts and much of the government's diplomacy and intelligence work.

The report, compiled under the auspices of William Clayton, American cotton broker and former Under-Secretary of State; Eric Johnson, the movie czar; Fowler McCormick of International Harvester, Philip Reed of General Electric and others, warned that a powerful military machine can dominate the economy and, unless held in balance, "can destroy a free economy." It also stated that "the fear of war may dominate our lives for a generation," and warned that "necessary investigations into loyalty can deteriorate into witch-hunts which threaten the whole structure of individual freedom."

Revival of Nazism

MEANWHILE there is growing public alarm in Britain concerning the revival of nazism in Western Germany, Manchester reports say. This revival is evidenced in the increase of anti-semitism, a case in point being the recent acquittal of Wolfgang Hedler, ultra-reactionary member of the West German parliament, who had been brought to trial for making a vicious attack on the Jewish people in a parliamentary speech.

The reports say that the Union of Jewish Ex-Servicemen has sent a letter to all members of Parliament for Manchester and Salford, Lancashire constituencies, asking them to press the government to "prevent the rebirth of nazism in Germany."

Alarm has spread at the resurgence of nazism in Western Germany, the letter said.

The recent disgraceful acquittal of Wolfgang Hedler is only a "tiny symptom," it added.

The letter also reported increased anti-semitism in Britain itself. "The growth of fascism in this country, as evidenced by the provocation to peaceful people, and the physical assaults on aged and defenseless men and women in the East End of London, has created disquiet and grave misgiving."

The members of parliament were asked to make known "the dissatisfaction felt by thousands of people with this state of affairs."

New High Commissioner

TO handle affairs in Western Germany, the British government has just appointed Sir Ivone Kirkpatrick as High Commissioner. This brings Britain into line with France and the United States in being represented in the Federal Republic of West Germany by a senior civilian official, London reports said on March 16.

Of Sir Ivone, press reports said that in his capacity as Under-Secretary of State in charge of German affairs he has been in the inner policy councils of the Foreign Office at all the major international conferences during his term of office.

"At the beginning of 1949 he succeeded Sir William Strang as Permanent Under-Secretary of State for German affairs.

"As British delegate to the three-Power talks on Germany and later as one of the chief negotiators in the discussions which preceded the elaboration of a West German constitution, he became a familiar figure to the leading statesmen and politicians of the Western zones and he will go to Germany as an acquaintance rather than a newcomer," reports said.

"He speaks excellent German and is remembered here as the expert who was rushed to Scotland during the war to identify Rudolf Hess, the Nazi leader, when he landed by plane in Britain."

SOVIET UNION

Soviet Agricultural Drive

THE Soviet Union, on March 17, launched a vast nation-wide drive to raise crop yields to well above pre-war levels and to secure the "greatest possible development of cattle breeding," London reports say.

An unofficial statement broadcast by the Moscow radio on March 17 disclosed that gross agricultural production in 1949 exceeded the 1940 (pre-war) level and results achieved had created "all the necessary prerequisites" for a further improvement of the harvest yield in all types of crops in 1950.

The statement was in the form of a decree issued jointly by the Soviet government and the Communist Party.

It called for a speed-up of spring sowing as the first task.

Directives given in the decree affect the operation of hundreds of thousands of collective farms and a smaller number of 100 percent state-run farms throughout the USSR.

The decree covered all types of crops—wheat, cotton, sugar beet, flax, hemp, jute and Indian hemp.

It especially stressed the need for increasing yields of cotton, which is grown principally in the Middle Asian Soviet republics.

AFRICA

Political Segregation

EUROPEANS in the Kopowa groundnut area in Tanganyika have submitted a memorandum calling for the Tanganyika territory to be divided into three "spheres of influence" for Europeans, Asians and Africans.

They also declared they saw little opportunity for collective or individual progress while Tanganyika remained under United Nations trusteeship, it was disclosed on March 17, reports from Dar Es Salaam say.

The memorandum was handed to the government sub-committee which is seeking views on constitutional changes in Tanganyika.

Each race would have an absolute right under this plan to settle its own area, and would be given complete security of tenure. This was regarded as essential to encourage European immigration which, the Europeans consider, "is axiomatic if the territory is to be developed."

At present the territory has no elective system. The territory is governed by a legislative council on which there is an official majority of Europeans.

The new proposal contained in the memorandum calls for an "unofficial majority" in the legislative council, 50 percent European. Non-Africans should be elected and Africans nominated, presumably by the British Governor, to the council.

A "Satanic" Bill

DR. Yusuf Dados, President of the Transvaal Indian Congress, on March 10, described the South African government's Registration Bill as "satanic," press reports from Johannesburg say. This bill is designed to further the segregation of the native African people in the Union of South Africa.

"There is no moral nor other obligation which rests on people to obey laws which are satanic in conception and repugnant in practice," Dr. Dados said in a telegram to South African Interior Minister T. K. Donges.

The bill, now being debated, was condemned on March 9 by opposition leader Jan Smuts, who said he would contest it stage by stage.

Dr. Dados' telegram added that the bill was the "last straw and an outrage of remaining meagre democratic rights."

He said: "The cup of humiliation is over-brimming," and warned that further discriminatory regulations would release the "floodgates of pent-up feelings of resentment."

Parole of Jap War Criminals Protested

A STRONGLY-WORDED protest against General Douglas MacArthur's decision to parole Japanese war criminals has been made by Judge Mei Ju-ao, one of China's representatives on the International Military Tribunal for the Far East.

In a statement released March 14 by the New China News Agency, Judge Mei declared MacArthur's action "seriously violates the interests of the peoples of the allied countries."

(General MacArthur announced in Tokyo on March 7 that Japanese war criminals serving in Japan will be eligible for parole after completion of one-third of their sentences. Those who were sentenced to life imprisonment will be eligible after serving 15 years, his announcement said.

It explained that the creation of a parole system completes the war criminal clemency program initiated by MacArthur on December 12, 1949, when he authorized a reduction of sentences for good behavior.)

Judge Mei charged MacArthur with violating that section of the Potsdam Declaration which declares: "There must be eliminated for all time the authority and influence of those who have deceived and misled the people of Japan into embarking on world conquest . . .;" and ". . .Stern justice shall be meted out to all war criminals including those who have visited cruelties upon our prisoners."

"What is international justice coming to," he asked "if war criminals sentenced by the delegates of 11 countries after a trial of two and a half years are freed by a US brass hat? I, as one of those taking part in the Tokyo trial. . .strongly protest against the release of any war criminals convicted by the International Military Tribunal for the Far East."

UNITED STATES

Atomic Bomb Control

NEW York reports, on March 17, said official representatives of 11 national organizations in the United States have released to the press an open letter to President Truman urging him to appoint a commission for the clarification of the most important issues raised by the decision to develop the "hydrogen" atomic bomb.

The letter urges the President and Secretary of State to appoint a commission which would facilitate the discussion of these issues. The letter says that the commission "should consider all weapons of mass destruction in the context of overall foreign policy." The report of this commission "should illuminate the possible course of action and also the political, economic and moral consequences of each of them in order that the public may exercise informed judgment."

The letter was signed by representatives of the League of Women Voters, the CIO textile workers, National Farmers Union, National Women's Trade Union League, the Cooperative League of the United States, the AFL International Association of Machinists, the Federation of American Scientists, the General Federation of Women's Clubs, and others.

* * *

THE American Institute of Public Opinion, New York reports say, submitted the following question to several thousand citizens: "Do you think we should try to work out an agreement with Russia to control atom bombs?"

Sixty-eight percent of those answering the questionnaire replied in the affirmative.

Prosecution of Communists

THE American Department of Justice might prosecute 12,000 individual members of the Communist Party of the United States, the New York *Post* said on March 18.

The newspaper, which quoted a Justice Department official, reported that the prosecution might take place if the Smith Act, under which 11 Communist Party leaders were convicted in New York recently, is found to be constitutional.

This would be determined after an appeal by the convicted Communists was heard before the Circuit Court of Appeal this term and then goes to the Supreme Court, possibly this autumn or in the spring of 1951.

The *Post* said that in the meantime the cases against the 12,000 Communist Party members were listed as "pending."

Mr. Walker, Acting Assistant Attorney-General in charge of the criminal division, told a House of Representatives Appropriation Committee that the Communist Party would be "in effect outlawed" if the Supreme Court upholds the conviction of the 11 party leaders.

Meanwhile, in Washington the Senate Judiciary Committee approved by eight votes to one a bill requiring registration of communists and "communist front" organizations.

Articles of Interest:

Peace Treaty With Japan

The whole subject of Japan has been coming in for increasing comment in Chinese newspapers and magazines lately. MacArthur's recent announcement reducing the sentences of convicted Japanese war criminals has brought forth a new storm of protest from Chinese writers who fear that a resurgent and unrepentant Japan may attempt to repeat her China venture. The following article discusses the question of a Japanese peace treaty.

* * *

"THE importance of the Japan problem is growing with the passage of each single day," writes Li Chung-ching in *Shih Chieh Chih Shih (World Culture)*. "Today Japan is the major military base in the campaign against the Soviet Union, against the democratic movements of Asia."

American monopolistic capital, backed by US militarism this writer continues, now controls Japan's economic and political life — in contravention of the terms of the Potsdam Declaration. This dangerous situation can only be rectified by an early Peace Conference and the framing of a Peace Treaty designed to lay the foundations for "an independent, peaceful and democratic Japan." In the meantime, Li Chung-ching alleges, 'American imperialism is using every tactic in its power to delay the calling of such a Conference, while lining up a "unilateral peace," which will provide for:

1) The continued garrisoning of American forces in Japan after the conclusion of the Peace Treaty, ostensibly to supervise the implementation of the peace terms. (But to the Japanese people the act will be explained as a measure to protect Japan from 'aggression,' since Japan has already declared her disarmament in the Constitution.)

2) The conclusion of a United States-Japanese Military Alliance upon the conclusion of the Peace Treaty. This alliance may possibly be developed into a "Pacific Pact."

3) The demand by the United States to establish military bases in Japan, so as to legalize and perpetuate its encroachment on Japan's sovereign rights.

4) The cancellation of reparations, and the raising of Japan's industrial level. The United States will further ensure continuous economic aid to Japan, and invest in Japan so as to place its economy under complete control.

5) With reference to the question of Japan's territorial definitions, the United States will encourage Japanese expansion among the islands to the north of the four principal islands."

"These plans," sums up Li Chung-ching, "will not only preserve the present status of Japan, but will turn Japan into a military base and colonial possession of American imperialism. . ."

These plans would not lack support from Japan's former ruling classes, the writer claims, and in support of this statement he produces a "secret document, issued in November 1949 by the Japanese Democratic Liberal Party (which serves the interests of Japan's big capitalists and landowners) and circulated amongst its members in the Japanese Diet. The document is signed by the Secretary-General of the Party and the Chairman of the Diet Foreign Relations Committee. It is entitled "Views on the Peace Problem," and its general contents are as follows:

"In view of Japan's unconditional surrender and the present state of occupation, and also taking into consideration the very delicate international relationships now prevailing, it is hoped that the greatest care will be taken in the expression of views on the Peace Conference. Both within the Diet and in the election constituencies precaution should be taken against random expression of views.'

" 'The tendency at the moment turns toward unilateral peace treaties. Though we cannot underestimate the position of the Soviet Union and China, the Japanese Government has no power to reject unilateral peace proposals, nor has it any basis for doing so. Our study of the issue leads us to the conclusion that there is no legal obstacle to unilateral peace. . .'

" 'The Japanese Constitution advocates peace and forsakes war. For this reason some argue that it will be against the Constitution to negotiate a military alliance with the United States. But we must not be bound by the formalities of neutrality to the detriment of national interests. It must be realized that the world is now divided into two opposite camps. Japan's rational policy must be gravitated towards the side of anti-communism. To discuss political issues without recognizing this fact will be futile.'

"This secret document," says Li Chung-ching, "fully reveals the ambition of the United States and the attitude of the ruling class in Japan." He points out that strong opposition within Japan to unilateral peace treaties has been led by the Japanese Communist Party, who in 1949 proposed before the Diet the organization of a Special Committee on the Peace Treaty issue, and in 1950 issued a public statement opposing any treaty not participated in by the Soviet Union and China.

LETTERS

(Continued from Page 51)

or subsidies for students. Impoverished because our former president stole all the school funds, no one had any means for buying food after the liberation. Practically every member of faculty and staff needs at least 150 catties of rice, the highest amount required being nearly 500 catties per month. Student subsidies through "voluntary contribution and mutual determination" average 40 percent of the total, or a subsidy of 60 catties of rice each.

In the last few days all the colleges held a meeting to discuss the amendment of the curriculum. The conclusion was that some courses should be thrown out and others added. The present courses required throughout the university are "Principles of New Democracy," "Marxism-Leninism" and "Dialectical and Historical Materialism."

Final examinations for this term were held during the last five days and winter holidays begin today. During the holidays, all the students and some of the employees will attend the "Garden of Learning" of all the colleges and middle schools in Kweiyang. We are placing high hopes on that! I think that our university will be able to clean away all the remnants of reactionary power which have long made their mark on us.

WOO MING-FU

Kweichow University
Kweiyang
January 26, 1950

COMMON SENSE

To the Editor:

Thanks and rejoicings over the two copies of the Review which I have received. I am sure that you are redoubling your effort to defend the right type of government in China—the People's Republic—because right needs more defenders.

The people's regime is inundated with books, folklore songs and dances to spur on the spirit of the new China and help get rid of the yoke of imperialism, feudalism and the KMT government monopoly capitalism so that we may establish an industrial nation on the basis of the New Democracy.

It is the express purpose of the new regime to require and to give every citizen of China a chance to unlearn the feudalistic ways of thought and to relearn new ways. This requires being absolutely honest with oneself and making use of self-criticism and mutual criticism of one another's merits and demerits. In this way, we all can serve the people to the best of our ability and we can uproot the self-destructive ideas of "face," fatalism and despising labor. Everybody must respect the dignity of personality of everyone else, no matter how lowdown and wicked that person is.

I have already met a few communist officials and soldiers and have found all of them thoroughly honest, efficient and willing to eat bitterness. Thus, I can only conclude that the new regime is bound to succeed and to succeed triumphantly.

Just a word about America's dilly-dallying about the recognition of the People's Republic of China and her continued ostrich policy of assisting the defunct and moribund and threadbare KMT machine in Formosa. All tend to further evince America's stupidity and moral turpitude which, if not corrected at this 11th hour, will boomerang to her own detriment and hasten the downfall of her man-eating monopoly capitalism.

Personally I used to love America like my second love but now I hate the stupidity of the Washington administration which believes in the Almighty Dollar and the Atomic Bomb instead of Jesus Christ. But I implicity believe that the common sense of the common people of America will eventually lead their government out of this morass of vice and greed, and that traditional Sino-US amity can be restored.

CHINESE JOHN THE BAPTIST

Chungking
February 19, 1950

The Review's English Lesson CXXIII

Questions and Answers

A Shanghai reader, Mr. Lung Tsai, has asked us about a word defined on page seven of the booklet "The Review's English Lessons:"

Maverick: In "The Review's English Lessons," the word is defined as "a first-term or freshman member of the US Congress." While the word may have this meaning, it also means a congressman who plays a lone hand, following no party line.

Mr. T. L. Chen, of Hangchow, asks about the following phrase:

As of today: The preposition "of" has the general meaning of from, by, about, belonging to. In the present phrase, it indicates during or on, as in the phrase "of late years." Thus, the phrase is an ellipsis for "just at the present time (today)," and the preposition "of" means "during."

Miss Yachin Chen, also of Hangchow, asks several questions:

Sillion: Miss Chen says that she saw this word in a newspaper where it was stated that "a thousand billion is a sillion." She wonders if this is correct. This was probably a typographical error, as we do not know of any such number as "sillion." The American series runs from tens, to hundreds, thousands, millions, billions, trillions, quadrillions, etc. The British series differs in the "billion," which they take to be a million million, while in American numeration it is a thousand million. The British billion is thus a trillion in the American system. But nowhere is there a "sillion."

Strong: In addition to its usual sense of having great power, this adjective is also used in the sense of reaching a certain degree or limit in respect to strength or numbers, as in the phrase "an army ten thousand strong." Here the word means "just," or "exactly," but gives more force to the phrase than if it were simply "an army of ten thousand."

Bourgeois: This word, which may be either a noun or adjective, is from the French. It has kept its French pronunciation, but has lost its French emphasis. In French, the emphasis is usually on the last syllable; but in English, emphasis follows no general rules. In "bourgeois," as used in English, the emphasis falls on the first syllable. However, in both languages, "bourgeoisie," those belonging to the propertied class, is properly accented on the last syllable.

Shop, store: "Shop" is from the Anglo-Saxon "sceoppa," a treasury, and means a place where goods are kept for sale to the public. "Store" is from Latin "instaurare," to renew, restore, and in America means a shop; in Britain, which Napoleon called "a nation of shopkeepers," the word "store" is not used in this sense. The words have other meanings also; a shop is a room or building devoted to a particular line in a factory, as "the machine shop;" or professional or business subject-matter, as in referring to the conversation of two persons who are discussing their own particular profession or office: "They are talking shop." "Shop" may also be used as a verb, as "They went to shop for clothes." "Store," as a verb, means to furnish or provide, especially for the future; to accumulate or lay away; to deposit in a warehouse for preservation. As a noun, it means supplies, a reserve fund, a great quantity, or a warehouse. These are in addition to the most usual sense of both words as a place where goods may be bought.

Fortune: We have two phrases using this word: ". . .a single man in possession of a good fortune," and ". . .a young man of large fortune." The meaning and use of "fortune" in each phrase is slightly different: In the first, "fortune" is a noun, object of the preposition "of" — the young man had a fortune, one of many possible fortunes. In the second, the phrase "of large fortune" is an adjective modifying "man." The indefinite article is not used here. Similarly, we say "a man of intelligence," but "he had an intelligence greater than that of his brother."

At a railroad crossing: Unfortunately, a misprint occurred in a previous English lesson: the sentence as printed ran, "Charley Anderson is killed a railroad crossing," which should of course read ". . .at a railroad crossing."

At, on, in: In the three phrases, "at the back of," "in the back of," and "on the back of," a slightly different meaning is given through the different prepositions. The use of the prepositions gives a more definite idea of the location expressed by "back." "At the back of" is the most general; it means anywhere behind, as for example, "at the back of the house." "In the back of" conveys the idea of a closed space, as "The luggage was lying in the back of the car." Also, the phrase can be used in the figurative sense, as "He kept the information in the back of his mind," that is, he retained it in his memory. "On the back of" shows location upon something, as "He stood on the back of the chair," or "He sat on the back of the horse behind his brother."

Only only: This double "only" has been used in a popular song to intensify the meaning of "unique," but it is never used in ordinary speech. In the quotation given by Miss Chen, there is obviously a misprint: "For I know that he expressed only only his own sentiments, but the sentiments of the people of New York." The "but" gives the clue: the first "only" should have been "not," which gives the meaning of "not only this, but (also) that." "He was not only old, but (also) extremely weak."

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